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Japan

Changing Nature of Friction With U.S. Viewed

922A0384A Tokyo BOEKI TO KANZEI in Japanese Aug 92 pp 10-17—FOR OFFICIAL USE ONLY

[Article by Atsuyuki Suzuta, critic on economic affairs: "New Kind of U.S.-Japan Friction"; article is based on a speech given at the Japan Customs Association (Foundation) Directors' Meeting on 3 July 1992]

[Text] **Cooperative Stance Taken by U.S. Government and Industry Sectors in the High-Tech Area**

We are keenly concerned with and constantly pursue matters in the area of Japan-U.S. relations. It is very difficult to address such issues just prior to the upcoming presidential election. I am scheduled for a trip to the United States in August and I would be able to address additional facets after the trip, but I will take this opportunity to express my thoughts based on information gathered during my trip of last year.

In conversing with U.S. mass media personnel in recent days, they say, "Japan-U.S. friction is no longer a matter of individual commodities or individual industries, but is a new form of friction challenging issues transcending such individual issues." They have been saying this for some time. As can be expected, topics of current issues fall into that category.

Needless to say, as a phenomenon preceding the elections, concern has greatly heightened concerning individual commodities such as the issue of dumping minivans and the dumping of steel. However, actions restricted solely to matters of such a nature will not result in the improvement of the U.S. international balance of payments or strengthening of U.S. competitiveness. Revival of the U.S. economy will require a restructuring of industrial policy. Further, that will require a joint effort by industry and government. It is also true that such a movement is already under way.

During the 1960 to 1965 period when I was a newspaper reporter covering the Ministry of International Trade and Industry, the Bill for Promotion of Special Industries became a topic of discussion along with the idea of government-industry cooperation, but failed to win Diet approval. Frankly, I did not expect that such an issue would arise in the United States after so many years, but setting aside conceptual evaluations and values, I would like to conduct discussions in this article along the lines that such phenomena occurring in the United States today will probably affect Japan-U.S. friction in the future.

The United States is contemplating a restructuring of the civilian economy with the primary objective of expanding the leading-edge sectors centered on the high-tech field. Principals engaged in the promotion of such ideas are Robert G. Darmon, director of the Office of Management and Budget; D. Allen Bromley, former professor at Yale University and assistant to the President for science and technology; and Robert M. White, undersecretary for technology. I understand that these individuals are the leading promoters of this concept.

Even the U.S. mass media often use the expression that "the high-tech industry is the star of the U.S. economy." In reality, it is the only remaining alternative, but there were several reasons for their attempt to make high-tech the centerpiece for reinforcing international competitiveness. First, a variety of special characteristics of the U.S. economy, such as high wage levels, social standards calling for a high awareness of rights, diversified value concepts, and nonintervention by government, have all had a negative impact on the country's international competitiveness. Even if one were to make such an attempt, radical changes in such characteristics would not be feasible. However, the high-tech industry is one extremely rare facet that transcends all such characteristics.

Further, the high-tech field is probably the one in which they hold the most pride and confidence, the field is very flexible and it is positioned so that if it is used with appropriate priority in an effort at recovery, the U.S. economy can once again assert itself as a "strong America."

In reality, a review of U.S. export businesses over the last three to four years shows that a considerable number of those increasing sales and listed at the top of the roster belong to the high-tech industry. Some of them have grown as much as 80 to 90 percent. Of special note are medical equipment makers using high technology which have shown very strong growth rates. When you question Americans about the situation, they are quick to mention such examples. You can well appreciate their expectations from the very fact that a high percentage of production in the high-tech industry is reflected in exports.

Measures To Increase the Budget

The United States has increased funding to build a supercomputer network in the fiscal year 1992 budget. Such a move provides for funding to nurture the supercomputer makers. In addition, the Commerce Department budget provides for funding in the name of advanced technology programs for a broad variety of sectors that have the capacity to compete with Japanese industries. Such sectors include biotechnology, high technology, advanced materials, and the super particle accelerator in which they have asked cooperation from Japan. Even the Defense Department budget reflects a high level of investment in research and development funds in such areas as research and development of advanced defense technology, high-definition television, and research and development of high-temperature superconductors. I also understand that the self-restraints on the export of machine tools were extended at the strong request of the Department of Defense.

Accordingly, U.S. government-sponsored research and development funding is running at around $72.8 billion, but within this figure, funding for military projects are considerably restrained and spending has been substantially increased in development funds for technology that can be used in both military and civilian sectors. Programs have been started to transfer military technology into civilian uses and, additionally, a program has been initiated to promote development of technology based on cooperation between government technical research activities and the civilian sector.

From the Bush administration's position, the so-called "peace dividend" will require cuts in the defense budget and a sizable increase in defense-industry-related unemployment. Defense spending will be cut by about $50 billion in the next five years. The Democrats are calling for an additional cut of $25 billion. Negotiations with Congress will probably result in additional cuts. If that takes place, it is estimated that defense industry employment will decrease by 1.8 million by 1996.

Among people in the United States employed in the defense industry, the level of attainment in technology and education is high. It is impossible to allow personnel released from such advanced sectors to fall by the wayside. They fall in a different category from purely blue-collar workers. The current manufacturing sector regrettably does not have the capacity to absorb such personnel. Comments are heard that the procedures for enjoying the benefits of peace dividends rest in nurturing advanced technology that will convert defense industries which have prospered the most over the last 40 years to civilian uses, but the conclusion has been reached that the only available alternative is high technology in order to convert to export industries through the use of available technologies, human resources, and know-how.

A U.S. mass media phrase states, "The 'peace dividend' must not be monopolized by foreign firms." If current trends are allowed to persist, the defense budget will be cut and the ultimate beneficiary will be Japan and Germany. Such a situation cannot be condoned. U.S. firms should benefit from the peace dividend. In order to realize such a goal, emphasis must be placed on industries which can absorb employees of the defense industries who possess such very high technical levels and allowance for such industries to earn foreign exchange and contribute to the expansion of the U.S. economy. Such is the action plan.

Change From "Controlled Trade" to a New Integrated Strategy

Furthermore, until now, the United States had adopted controlled trade systems on individual commodities and individual industries, but a factor coming into play here is that they have reached the limit of such systems. In 1985, the Plaza Accord led to a cheap dollar policy. Trade with Europe definitely moved to the surplus side, but the trade deficit with Japan failed to improve. Experiments were conducted with controlled trade procedures in response to the theory that firms in the United States would be allowed time to nurture competitiveness in the areas of automobiles, semiconductors, steel, and machine tools, but anticipated progress in the reconstruction of industrial capabilities in the United States was not realized. The question is, did such measures have a true effect on the reconstruction of U.S. industry? That question is now being widely debated in academic and industry circles.

If we say to them, "We allowed you additional time as you requested; however, we see little progress," in connection with automobiles as an example, they respond, "You're perfectly right." They seem to have definitely realized the limitations of such procedures. From our perspective, we feel "it sure took them a long time to realize the limitations," but this obviously is a case of learning from experience.

Now, the time has come to consider a new approach. That approach calls for a strong industrial policy, and many written opinions and recommendations seeking the introduction of an industrial policy have been submitted to the Bush administration by congressional, industry, and academic circles. Representative among them is the report submitted by the Competitive Policy Council (CPC).

Such a policy was established on a bipartisan basis under the Comprehensive Trade Competition Law of 1988 and is being implemented under leadership of Fred Bergsten, head of the International Economic Research Institute. Its first report was submitted in March of this year and its contents have been introduced in Japan. This report was compiled by 12 committee members, appointed by the White House, representing industry, labor, and the public sector including, of course, members of Congress.

The report carries the title of "Creation of a Competitive United States," and proposes, "The competitive strength of U.S. industry has been ruined and a need exists for a new integrated national strategy to promote economic recovery and to improve the long-term outlook.

A detailed report is due in November, but the current report in outline format carries a passage which states, "The manufacturing sector is America's weak point. In terms of competitive strength, we must take action not only in the area of trade, but on the low rate of growth in U.S. manufacturing productivity, accumulated debt in government and civilian sectors, and backwardness of our educational system. Contributing to the surfacing of such issues was the rise in Japan and the sharp recovery in Europe. The United States should embark on industrial policies in the sense that they take action to contend with such movements."

The report identifies three problem areas. The first is management of business with a short-term outlook. The second is misapplication of incentives. The government errs in offering incentives to industry. It points to the misapplication of taxation policies. The third is the lack of an international perspective. Attention must not be limited to domestic affairs, but extend to an adequate consideration of actions of the various countries. The report covers such aspects.

Even in the past, many recommendations and reports of this nature have been submitted. In 1983 during the Reagan days, the Industrial Competitiveness Committee, known also as the Young Committee, was established; in 1989 during the Bush administration, Vice President Quayle headed the Competitiveness Council. Thus, the CPC is the third such body to be established. However, it is bipartisan in nature and of somewhat special note is that it includes Democrats.

In any event, the special feature of the deliberations this time around is that it has been determined that it is impossible to restructure the U.S. economy and strengthen its competitiveness solely on the basis of macroeconomic policies, such as foreign exchange and financial policies, and proposals have been made for the government to take the leadership in selecting future growth industries, performing research on boosting competitiveness and implementing measures for the strengthening of existing primary industries.

These proposals differ considerably from the previous Young report. For example, it is truly necessary to expand the education of human resources, improve the social capital structure and promote investment in production facilities, but a principal theme in the Young report was that policies such as picking winners should be avoided. Viewing the recent report from that standpoint, the recent proposals recommend the taking of such actions and differ from the Young report in that respect.

The following point may be an obsession of mine based the fact that I once worked in the mass media, but, about the time the recent report was submitted, the Central Intelligence Agency (CIA) listed among its publicly stated future activities the "need to place considerable emphasis on economic issues." The statement also includes an item covering investigation of the competitive situation and violations of intelligence property rights by rival nations and if one were to view this report in this respect, he can sense a degree of conformity with U.S. national strategy.

The U.S. Government is structured in a vertical format much like the Japanese Government, but when it comes to this issue of competitiveness, it appears that all of the departments are exercising a keen interest. It appears their interests are not based solely on an unfounded fear.

In any event, it just may be too late that there is a feeling of crisis stirring that if action is not taken now to establish an industrial policy for the 21st century, the situation may become irreversible, but it appears this movement reflects the awareness by the U.S. Bush administration and Congress that "they cannot afford to overlook the situation."

Sentiments of this nature seem to have manifested themselves in the recent presidential election. Candidate Clinton advocates an industrial policy, especially one that strengthens small to midsized businesses. His utterances have included: "Implement a capital gains tax relief measure limited to smallrt businesses. Smaller businesses are strong in Japan." "Implement investment tax credits and tax deductions." "Such measures should be implemented in addition to the past policies which favored big business." "The government should actively engage in the development of civilian technology."

Mr. Perot has discussed the North American Free Trade Agreement. President Bush has established as an objective the inclusion of Mexico as part of the North American Free Trade Agreement, but such an approach will not necessarily increase jobs in the United States. On the contrary, factories will be moved to Mexico on an increasing basis and will not contribute to a reduction of U.S. unemployment," thus taking a stand opposing the North American Free Trade Agreement. Whether this matter will become a main topic of dispute in the election is a separate matter, but there is that possibility as long as the unemployment issue is not resolved.

Offensive Waged Against Japan in the Area of Intellectual Property Rights

A phenomenon occurring in relation to such industrial policies is the offensive against Japan in the area of intellectual property rights. This offensive derives from the goal to rebuild U.S. industry primarily in the area of high technology. Various quarters have called for the strengthening of competitiveness through the use of and execution of a national unified government-industry strategy using intellectual property rights as a weapon.

With the inevitable compliance of Minolta Camera Company with the court decision that it must pay 16.6 billion yen for Honeywell's technology as a starter, a variety of disputes have arisen concerning patents.

Much of the Japanese mass media reflected the tone that the "Minolta case reflects an attempt by the United States to capitalize on technology that it no longer uses." Since Honeywell is no longer making cameras, such comments could possibly arise from Japanese perspectives, but the United States takes an entirely different viewpoint. This fact is not restricted to camera makers. Needless to say, the "theory of Japanese freeloaders" lies at the root of the controversy. This is where viewpoints differ. The Japanese minimize the significance of patents and intellectual property rights by thinking, "If they're not using them, perhaps they can let us borrow the technology," but for the United States such technology is considered very valuable intellectual property. Such rights represent a business weapon. Herein lies a major variance in perceptions.

Additionally, the Young report also points out that intellectual property rights are extremely important in the conduct of free trade. The issuance of the Young report in 1985 was quickly followed by the implementation of the policy calling for a cheap dollar and everyone's attention was focussed on the adjustments in foreign exchange rates. The interpretation taken at that time was that the Young report's main objective was to call for a cheap dollar. However, that report clearly stresses, "It is extremely essential to properly establish intellectual property rights in order to realize free and fair trade." All subsequent issuances such as the Comprehensive Trade Law reflect that objective. In that sense, ever since, I think the United States has consistently brought such issues to the forefront in every possible way.

Japan has taken an excessively simple and superficial approach. In response to a variety of comments on the part of Japan, the United States responds, "The United States in no way has struck in the style set by Pearl Harbor. The rules have been clearly covered in the applicable reports as well as the law itself. The issues were clearly handled in the open. Japanese firms and businessmen exceeded the stated limitations. Therefore, the United States took action against the violations. If the Japanese had read our reports and the law, they would have been able to understand the position taken by the United States." This is the first point.

The other point concerns the question of why did the United States formalize the issue of cameras when they were considering many other technical issues? My American friend says, "A major cause lies in domestic and international price differentials covered in the Structural Impediments Initiative talks." It is cheaper to buy the same camera in the United States than in Japan. This brings up the suspicion of dumping. The fundamental cause of such phenomenon was apparently subjected to thorough research on their part.

The conclusion was reached that the cameras could be sold cheaply because, for one reason, they do not pay patent fees. Accordingly, they can sell cheaper in the United States than in Japan. They say, "We stumbled on to the issue of patents and intellectual property rights in researching domestic and international price differentials."

Accordingly, this is not a case where one day they suddenly exclaimed, "This is valuable," and decided to capitalize on an obsolete technology. It appears this was a case where they had a hint and a cause for making an issue of this matter. I am not in any way making these statements in defense of Honeywell. On that particular point, I feel the Japanese were vulnerable to fall prey to the stronger tactics of the United States and that Japanese business practices made them likely to extend inadequate consideration to such factors.

Problems of this nature will probably occur frequently in the future. The so-called Fairchild case started with talk about patents, attempts are being made for the strict application of intellectual property rights in Asian countries including China, and many Asian countries are on the Office of the U.S. Trade Representative's list of countries suspected of violating intellectual property rights.

After considering the above factors, one comes to the conclusion that this was not a case where one day suddenly the issue of intellectual property rights and patents surfaced, but in facing the question of what they should do to protect technology and intellectual property rights centered on high technology necessary to reconstruct U.S. industry, they came upon the desire to use such assets as the detonator to the rebuilding of the U.S. economy.

Even the semiconductor friction issue was not a matter of pure market share. In Japan, the 20-percent figure predominates in a manner unrelated to the main issue and talk is concentrated on whether the 20-percent figure will be met. That numerical goal is one of the points at issue, but the semiconductor issue will not be completely resolved just because that figure is attained. To begin with, methods for calculating the goal vary and the 20-percent goal itself is replete with problems, but even if the goal is met, Japan will probably be assaulted with the issue of patents, intellectual property rights, business taxation, and antimonopoly laws. I get the feeling that the semiconductor issue reeks of these many problems.

Industrial Policy of the United States and Issue of Extraterritorial Enforcement of Antimonopoly Laws

As such, friction between the United States and Japan will require a cautious stance in that although individual issues will continue to arise, industrial policy will become a major issue in the attempt to rebuild the U.S. economy.

Next, in addition to the issue of vertically structured issues such as those concerning individual commodities and individual industries, in the sense that surveillance will be conducted over Japan on horizontal issues, there is the issue of extraterritorial application of antimonopoly laws. I am also deeply concerned about this issue and have been gathering information from my American contacts. After the resignation of former U.S. Attorney General Dick Thornberg who was criticized for being excessively political in his actions, William P. Barr who was a veteran prosecutor was appointed and was, reportedly, steadily dedicating himself to the administration of the law. In viewing the personalities involved, I was in agreement with the comments.

However, several months after appointment, Barr's actions suddenly became politically tainted. If the comment were made that circumstances change a person's character, nothing further remains to be said, but it was a sudden change that made one believe that he was influenced by the desire of the entire U.S. people to cope with the issue in a positive manner. The statements that he made on television triggered extraterritorial application of laws on foreign businesses.

When they first heard of his television comments, there were some who spoke in disbelief as they said, "There is no way that he would do such a political thing," but the truth was that he did make the statements. Seeing that U.S. Trade Representative Carla Hills stated, "That is a possibility," immediately following the television statement, I got the impression that the two had arrived at a confidential understanding. Needless to say, I have no evidence to support this conclusion. If one were to state that politicians change suddenly, there is no more to be said, but I feel that this situation gives one an internal look at the U.S. Government's stance.

The current litigation guidelines for the antitrust laws were prepared in 1977 and, according to detailed footnotes added in 1988, antitrust litigation concerning foreign firms was to take place only when American consumers were clearly damaged. But now the interpretation has been widely expanded to read, "Damage to U.S. exports will be construed as damage to the consumer," and the trend is moving towards extraterritorial application of the law. It may be somewhat of an oversimplification to say that the change is targeted at the collusive transactions of Japan, but one gets the impression that such moves envision Japan to a considerable degree inclusive of such targeting.

Additionally, Dan Rostenkowski, chairman of the House Budget Committee, has submitted draft legislation calling for taxing of foreign-based U.S. corporations based on profits of similar businesses in the United States, even if they record a deficit. This is also considered an action similar to others targeting Japanese firms. The proposed legislation calls for the application of profit percentages of similar industry firms on the sales of a foreign U.S. corporation and further applying a 75 percent rate to the result as the minimum tax rate (which means that the law will consider that even such deficit firms are in reality making that much profit). If this law passes, its effects will not be limited to Japan, but will affect all other foreign countries to a considerable degree.

By taking such actions, the United States is trying to assist all industries and protect domestic industries not only through individual commodities and individual industries, but through all commodities and all industries. The attitude appears to be that a conclusion has been reached that the United States was beaten down by being excessively open. The United States has been forced into such a conclusion because of its own actions wherein business behavior—such as the assignment of highest priority to profits leading to rapid reductions in domestic productive capacity or transfer of such facilities to overseas areas and expansion of imports—served as a major factor in creating the current predicament, but setting aside such events of the past, at this point the above are the only means available to it for advancing the rebuilding process.

Such an approach poses a variety of issues such as possible violations of GATT and consistency with international taxing agreements and antimonopoly laws of various countries, but when one considers the current U.S. situation, it is apparent it must act immediately irrespective of all outward appearances, for it does not have the leeway to consider fundamental rules in view of the decline in U.S. economic strength and exasperation it faces in the never-ending trade deficits.

Ideas Coming From U.S. Businessmen

Finally, please allow me to add my personal impressions. Although the U.S. Government is exerting the best of its efforts, American businessmen seem considerably removed from the problem. In Japan, if government waves a red flag, industry falls immediately in line. And, if industry asks government to "please wave the red flag," the unified effort between the two seems even stronger, but in the United States, it seems that a unified government-industry effort is difficult to realize.

Rather, it appears that government is used more often to promote the interests of industry. Accordingly, even if similar catchphrases are used, the realization of the desired effects are highly questionable. There's even the likelihood that such moves are being made as a precursor to Japan-bashing.

But, even if there is an element of doubt, in the United States, once things begin to gain momentum under the expression, "let's take a stab at it," they proceed with an action to the very end until they bounce their heads against the wall.

No matter how much we tell them "there's no use in applying restrictions on individual industries," or criticize steamroller tactics, they insist on handling "automobiles" and "steel" as individual issues and are not convinced until an idea is tried and they reach its limitations. At present, the tide is flowing in such a direction and we cannot disregard its momentum.

As previously stated, it is highly questionable as to whether the ideas of industry managers can be unified. It is easy and quick to unify the desire for joint development of high technology and to exempt such action from antimonopoly laws. However, it becomes questionable when it comes to the stage of actual joint research. In Japan, advanced technology would be handled by a team composed of representatives from the various firms. However, in the United States, this appears to be a very difficult step. I have considerable doubt about the feasibility of such ideas in the sense that individualistic customs may make government-industry cooperative systems more than just a simple matter. However, we cannot disregard the fact that the United States is making an attempt at creating such a system.

Next, the feasibility of converting defense industry technology to civilian use is highly questionable. The U.S. ideas differ considerably from those of Japan. When I met with representatives of Boeing, I asked them, "Why don't you expand your factories if your backlog is so large, because I had heard of their big backlog. The response was, "Why do Japanese think in terms of making the majority unhappy?"

When I asked, "What do you mean by being happy?," the response was, "Since Boeing carries a sizable backlog, it maintains a productivity level which is 10 percent higher than normal. This provides for maximum profits."

"And that's not the whole story. Because our plane deliveries are behind schedule, prices of used planes rise and that makes owners of used planes happy. On top of that, banks that lend money are happy because of the increased appraisals of collateral planes. Since the delivery order numbers become valuable, those plane owners who can make adjustments and sell such delivery numbers do so at a premium which makes them happy too. And, airline companies such as those in Japan that want planes earlier buy delivery numbers at a premium and are happy because they can carry large numbers of passengers. Therefore, if we were to double our capacity to increase production significantly, that action would not only result in exacerbating our depreciation burden but would make a lot of people who relate to us unhappy at the same time. That being the case, we wonder why Japanese are quick to expand factories when backlogs are large."

I have summarized the Boeing representatives' comments so they may sound somewhat like comic strip commentary, but I feel that the summarization helps to highlight differences in U.S. and Japanese thinking.

Japan manufactures quality merchandise cheaply. If the demand is so great and order backlogs exist, Japanese manufacturers' philosophy would call for expeditious production and delivery to users, but U.S. ideas are different. They say that methods that call for such an approach negate the happiness of a variety of people. This dissertation may sound somewhat like an explanation for a number of excuses, but I am merely trying to point out the mutual differences in thinking.

I believe that even in the area of industrial policy a number of behavioral differences of this nature will manifest themselves. Systemic differences may lead to friction, but I believe conceptual differences will lead to more serious friction.

Change in Nature of "Japan-Bashing"

An aspect that comes to mind in connection with recent U.S. industrial policy is the issue of capital. U.S. firms have not been making much in the way of profits and have only limited retained earnings. Strengthening of industrial competitiveness logically requires capital. The question is, what do U.S. firms plan to do in this area?

McDonnell Douglas is eyeing capital infusion from Taiwan and the Boeing Company has mentioned possible capital investments from Japan.

Even if the United States were to opt for expanded industrial activity in the high-technology area, it will require sizable capital investments. U.S. firms perceive the Japanese as potential partners under such conditions. The question is, can technology transfers take place under those circumstances? Henceforth, Japan will probably be placed in a very difficult situation from a technical standpoint.

U.S. firms harbor great expectations of Japan as the provider of capital. Hereafter, they will come forth with the proposal, "The United States has this type of technology. Does Japan wish to participate on a joint-venture basis?" This is a case where Japan constitutes a potentially strong market, possesses very adept skills in terms of applied technology in the peripheral areas, and would qualify as a very ideal partner to commercialize and manufacture products using basic technology developed in the United States.

Moreover, there appears to be a very strong movement to enter joint ventures with Japanese firms based on capital investments. The question then arises as to the fairness and appropriateness of transactions assuming that the Japanese firm is responsible for developing peripheral technology, the U.S. firm contributes the basic technology and the Japanese firm contributes capital. I believe evaluations of such transactions will become a very delicate issue in the future.

The future will probably see increasing numbers of joint ventures involving joint development and joint research. The question is, will such ventures lead to the building of a desirable relationship involving give-and-take. I believe U.S. industry will not be able to strengthen its competitiveness without outside help. Emasculation has advanced and I believe appropriate assistance and support from Japanese firms will be required in the areas of capital, peripheral technology, production technology in the area of quality control, and process management. If partnership participation by Japanese firms in the way of marketing, applied technology, and capital is to be sought, future issues will involve assets that Japanese firms can offer in exchange and type of bargaining that would be appropriate.

Since this is an election year, Japan-U.S. relations show an increasing trend towards "Japan-bashing." However, I believe the nature of Japan-bashing is undergoing a change. The viewpoint that looks for continuing emotional bashing as long as the imbalance in Japan-U.S. trade is not resolved represents a superficial observation, but I believe a more profound level of mutual understanding will not be attained forever. Requests by the U.S. side to the Japanese represent a wide variety of items and I believe even the Bush administration has not had the opportunity to categorize them. It is assumed that they will come back with a number of counterproposals. Even in sports, the losing team gives serious thought to every possible tactic within the confines of the rules that apply to the game. The final outcome of the negotiations will depend on what sort of response Japan

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Japan

Watanabe Noncommittal on Opening of Rice Market

OW2010041492 Tokyo KYODO in English 0333 GMT 20 Oct 92

[Text] Tokyo, Oct. 20 KYODO—Foreign Minister Michio Watanabe declined to say Tuesday what Japan would do if the stalled Uruguay Round of global talks moved toward a settlement.

Such a development is seen as likely to force Japan to open its rice market eventually.

Watanabe told reporters after a regular cabinet meeting that Japan has opposed proposed across-the-board tariffication of farm imports and that the time is not opportune to say anything beyond that.

"The negotiations are at a delicate stage, and we cannot afford to say something on the basis of speculation," he said.

He made the comments regarding widespread expectations that the talks will move toward an early settlement following a possible breakthrough in farm trade negotiations between the United States and the European Community (EC).

Meanwhile, Agriculture, Forestry, and Fisheries Minister Masami Tanabu sounded a caution on the speculation of a U.S.-EC breakthrough, saying, "We have little specific information" on the subject.

Tokyo To Appeal EC Dumping Duties on Tapes

OW2610041692 Tokyo KYODO in English 0400 GMT 26 Oct 92

[Text] Tokyo, Oct. 26 KYODO—Japan will appeal to an international trade body Monday over the imposition of antidumping duties by the European Community (EC) on cassette tape imports from Japan, Ministry of International Trade and Industry officials said.

The appeal is expected to be filed with the committee on antidumping practices of the General Agreement on Tariffs and Trade (GATT) in Geneva, the officials said.

Since May 1991, the EC commission has slapped antidumping duties of between 15.2 and 25.5 percent on audio cassette tapes imported from five Japanese makers, including Sony Corp. and TDK Corp., they said.

The ministry asked the GATT antidumping committee for arbitration on the issue in May this year, but the arbitration effort ended in failure earlier this month, the officials said.

This is the second time for Japan to appeal to the GATT disputes settlement panel, following an appeal in 1988 against EC antidumping duties on copiers and printers imported from Japan, they said. In that case, Japan won its appeal against the EC.

Ministry on Kissinger's U.S. Policy Predictions

OW2210142292 Tokyo KYODO in English 0901 GMT 22 Oct 92

[Text] Tokyo, Oct. 22 KYODO—Former U.S. Secretary of State Henry Kissinger said Thursday that whoever wins the November 3 presidential election, Washington's foreign policy will remain essentially unchanged, according to Foreign Ministry officials.

Officials said Kissinger told Foreign Minister Michio Watanabe in a 40-minute meeting a Clinton administration would probably make no major changes in U.S. policy toward Japan, but there will likely be some slight changes in China policy.

Kissinger arrived in Tokyo on Wednesday to take part in such activities as a seminar Saturday sponsored by a private advisory body on foreign affairs to the prime minister.

Commenting on U.S. relations with Vietnam, he said the process of normalizing ties remains stalled by Hanoi's apparent reluctance to turn over "in one go" the information it possesses relating to the accounting of 2,266 American servicemen missing in action (MIA) from the Vietnam War.

Watanabe was quoted as responding that the top echelons of Vietnam's leadership appear to be making sincere efforts to release its MIA data, but sometimes information they did not previously know about surfaces.

He said Vietnam apparently faces a communication problem between the upper and lower levels of bureaucracy that hinders the flow of information.

Vietnam on Monday reportedly reversed a longstanding policy by offering to hand over to the United States documents, photographs, and other material in its archives relating to missing and captured Americans from the war.

Japan is anxious to unfreeze its economic assistance to Vietnam, but has held back to accommodate the U.S. desire to see the MIA issue resolved first.

Officials said Kissinger recounted that he came under fire last month in a congressional committee from Vietnam veteran Sen. John Kerry and others, who demanded he and former President Richard Nixon assume responsibility for possible abandonment of Americans in Indochina during the troop withdrawal from Vietnam in 1973.

He was quoted as telling Watanabe it is "absurd" to try to pin the blame on him and Nixon.

Tokyo Decides To Give Rocket Technology to U.S.

OW2310064192 Tokyo KYODO in English 0539 GMT 23 Oct 92

[Text] Tokyo, Oct. 23 KYODO—Japan will provide the United States with technology that it requested for developing supersonic rocket engines, government officials said Friday.

The government made the decision in a joint military technology committee meeting involving officials of the Foreign Ministry, the Ministry of International Trade and Industry, and the Defense Agency, the officials said.

The move is part of an agreement reached between the two nations in late September to begin joint development of lightweight and more effective missile engines, they said.

Japan will provide technology for developing the so-called ducted rocket engine, which would cut the weight and extend the range of missiles without increasing their size, the officials said.

A ducted engine would require only hydrogen fuel and take in oxygen from the air for combustion. Rocket fuel used in conventional missiles contains a mixture of oxygen and hydrogen.

The ducted engines are planned for use in surface-to-air missiles.

Removal of Okinawa Futenma Air Station Demanded

OW2210125992 Naha RYUKYU SHIMPO in Japanese 22 Oct 92 Morning Edition p 5

[Editorial: "Early Removal of the Futenma Air Station Demanded"]

[Text] "If it occurred in residential areas...." We assume everyone thought the same thing when he or she heard news reports about a helicopter accident which occurred on the evening of 20 October at Futenma Air Station in Ginowan. Residents living near the air station unquestionably were afraid when they heard the sounds of a helicopter and the subsequent explosion. It is certain that if the accident occurred in a residential area, the disaster would go beyond the fears and apprehensions felt by the residents. The occurrence of the accident on the evening of 20 October reminds us anew of the reality that we are living in danger. However, we tend to forget this because of our occupation with daily life.

Not only the residents but the Ginowan and Okinawa Prefectural Governments, as well as the Naha Defense Facilities Administration Bureau, are aware that the station is surrounded by stores, schools, and housing, and that the site is not suitable for use as an air station. Notwithstanding, the air station continues to exist as a military base. Fortunately, the accident did not end in disaster. However, in the past accidents and emergency landings involving helicopters have repeatedly occurred at the air station.

If such an accident does result in disaster, who will bear the responsibility? Both the U.S. forces and the government have said "we are working to prevent accidents from happening." Are they going to avoid responsibility for this accident by repeating such a stereotyped statement?

The reoccurrence of such an accident is unavoidable so long as the air station exists. The reality is that despite safety measures taken by U.S. forces, such accidents occur. There is a notion that traffic accidents cannot be stopped so long as automobiles exist. But helicopter accidents differ from that notion. Automobiles are necessary for life, but military bases are no more than a threat to the lives of those residents living near the bases.

Futenma Air Station is located in the center of doughnut-shaped Ginowan. The city, like other cities in Okinawa, once relied on the base economy for its growth during the post-war reconstruction years, but the present situation is different. Education facilities—such as Okinawa International University and elementary and junior high schools—and stores are concentrated around the air station. The air station has also become an obstacle to the industrial development of the city. On 15 February of this year, a "youth forum on the future use of the site of the Futenma Air Station" was held with the theme "Let Us Build Our City for Ourselves in the 21st Century."

If Futenma Air Station is returned in the future, the site would be used for municipal development. There are moves among residents to push for concrete plans to effectively use the site. When the residents demand the return of the site now being used by the air station, the plans on which the residents have agreed will be used as tangible data to help persuade the governments of Japan and the United States.

A declaration adopted at the youth forum said: "Futenma has existed as a military base in the center of Ginowan since we were born. We believe this should not last forever." We want to cherish that declaration.

A U.S. Marine Corps air unit is stationed at Futenma. Marine units in Okinawa are being reduced because of cuts in defense spending. The air station, surrounded by residential areas, has become a daily source of aircraft noise. If an accident occurs on the base, it could result in a disaster involving residents. There is a consensus among administrative organizations that Futenma is so structurally defective it cannot be used as an air station.

Nothing can be done once a disaster occurs. Let us seriously consider early removal of Futenma Air Station.

Ginowan Mayor Urges Removal

OW2310075792 Naha OKINAWA TIMES in Japanese 21 Oct Evening Edition p 1

[Text] An accident involving a medium-type CH-46 transport helicopter occurred on the evening of 20 October at the Marine Corps' Futenma Air Station in Okinawa; an on-the-spot investigation was conducted on the morning of 21 October by the Marine Corps, the Naha Defense Facilities Administration Bureau, and the city of Ginowan. This is the 106th such accident in Okinawa since the island reverted to Japanese rule. The same day, Ginowan asked the commander of Futenma Air Station to make public the cause of the accident and suspend military training during the investigation. The accident occurred near the Futenma Second Elementary School. Ginowan Mayor Momohara protested against the accident, saying "there is no other way to ensure the safety of our citizens but the removal of the base." Night flights have recently been intensified over Futenma, and many citizens have filed complaints with the city's Military Base Division.

With regard to the helicopter accident at Futenma, the Marine Corps' Public Affairs Office in Okinawa announced on the morning of 21 October: The helicopter in question overturned while being moved to a hanger after landing, but did not catch fire. Four crew members escaped safely from the helicopter, and we have no detailed information about why such an accident occurred.

The accident involved a CH-46 transport helicopter assigned to the 262th Medium Helicopter Company of the 36th Marine Air Group. An investigation is now being conducted on whether the accident occurred while it was being towed.

According to the Base Affairs Division of the Okinawa Prefectural Government, 106 accidents and emergency landings involving U.S. military aircraft have occurred in Okinawa since the island reverted to Japanese rule, and of those accidents and emergency landings, those involving helicopters number about 50.

The helicopter company was moved from Hawaii to Futenma in September this year on a six-month rotation. However, the company will be deployed as a standing unit at the air station beginning next year following the restructuring of the Marine Corps under its troop reduction plan.

Groups Protest Against U.S. Forces Exercises

Rally at Exercise Ground 21 Oct

OW2310112692 Naha OKINAWA TIMES in Japanese 21 Oct 92 Evening Edition p 1

[Text] Kin—At 0804 on the morning of 21 October, the U.S. Marine Corps in Okinawa began a live-fire exercise across Prefectural Highway No. 104 from the 303rd gun position. This is the 11th such live-fire exercise since the beginning of the year. Live rounds were fired at an interval of minutes into Mt. Onna, the "target" of the shelling, and explosions reverberated in the town of Kin.

According to U.S. forces in Okinawa, the live-fire exercise will be conducted until 23 October from 0800 in the morning to 1800 in the evening. Shells of 155-mm caliber, which can be used for nuclear and nonnuclear purposes, and 105-mm shells will be fired from nine gun positions in the exercise area. The 311th gun position, located just near Nakagawa Elementary School in Kin, will also be used during the live-fire exercise. According to statistics compiled by the Okinawa Prefectural Government, this is the 130th such exercise in Okinawa since 30 March 1973 when the island reverted to Japanese rule.

In the early morning of 21 October democratic organizations such as the United Action Liaison Council To Defend Livelihood and Democracy and the Okinawa People's Council To Defend the Constitution and Oppose the Security Treaty staged a rally around the exercise ground against the live-fire exercise. People participating in the rally repeated their rallying words "don't turn Kin into a nuclear war zone." Their angry shouts were barely heard because of fierce shelling.

Yaka District, where the U.S. military exercise has caused a forest fire, is located just a few kilometers away from the impact area. The surface of Mt. Onna—150,000 square meters of which was burned—remains charred. Kiyoshi Nakama, head of the Yaka District, expressed his displeasure with the live-fire exercise, saying: "There was a forest fire just not long before.... I want them to stop this dangerous exercise."

Rally Held at DFAB 22 Oct

OW2310092692 Naha OKINAWA TIMES in Japanese 22 Oct 92 Evening Edition p 7

[Text] Following a helicopter accident and an accidental forest fire, angry voices are rising against U.S. Forces' exercises. The Prefectural Conference of Goken-Hananpo [Safeguard the Constitution and Oppose the Security Treaty] and Gensuikyo [Anti- Atom-and-Hydrogen Bomb Association] held a protest rally in front of the Naha Defense Facilities Administration Bureau [DFAB] shortly after noon on 22 October. Separately, the Chubu District Labor Union held a rally demanding withdrawal of military bases in Ginowan City. Komeito's Okinawa chapter and the Okinawa Socialist Masses Party filed stern protests with the DFAB.

Meanwhile, Asamitsu Takayama, director of the prefectural governor's Executive Office, paid a call on U.S. Consul General Richard Christensen at the U.S. Consulate General in Okinawa, and conveyed their regret about the occurrence of the helicopter accident and the worsening inconvenience from aircraft noises. Mr. Takayama requested the consul general to inform the two U.S. Forces commanders-in-chief in Okinawa and the U.S. ambassador in Japan of the need to take appropriate actions.

Mr. Eiichi Tamashi and three others from Komeito said: "The people inevitably become terror-stricken when training is conducted on areas close to their houses. Night flights, as well as circling over residential areas must stop."

Mr. Isamu Yamakawa and four others from the Socialist Masses Party demanded action by the DFAB, saying: "We have asked the U.S. forces to be careful about safety, but accidents are occurring nonetheless. It is the government's responsibility to move the bases away from residential areas."

In response to the protests, DFAB Vice Director Shojiro Kusama said: "It takes time to determine the cause of a helicopter accident. We have not received a report on details yet. We will ask them to be thorough with regard to safety precautions, but we are in no position to ask the U.S. forces to stop training."

Chip Makers Hail ROK Dumping Ruling in U.S.

OW2210135592 Tokyo KYODO in English 1208 GMT 22 Oct 92

[Text] Tokyo, Oct. 22 KYODO—Japanese semiconductor manufacturers expressed relief Thursday at a U.S. ruling that South Korean chip makers are dumping their chips in the United States.

"We might be able to avoid a price war against semiconductors made in South Korea," said an official of Hitachi Ltd.

In a preliminary ruling Wednesday, the U.S. Commerce Department said that dynamic random access memory chips (DRAMs) made in South Korea are being dumped in the United States.

The ruling could eventually lead to punitive tariffs.

The U.S. DRAM market has been largely dominated by Japanese and South Korean chip makers, but the Japanese have been losing their share to the South Koreans due to pricing.

"If antidumping duties are imposed (on South Korean chips), the price gap between Japanese and South Korean semiconductors would disappear," said an NEC Corp. official.

"Japanese products would have an advantage over the South Korean because they are better in quality and more reliable," the NEC official added.

Industry sources said some U.S. chip users have placed orders for Japanese chips on anticipation that antidumping duties will be levied on South Korean chips.

Taiwan Politician Seeks Support for UN Seat

OW2010101292 Tokyo KYODO in English 0947 GMT 20 Oct 92

[Text] Tokyo, Oct. 20 KYODO—Taiwan should be admitted to the United Nations in line with its "one-China, one-Taiwan" policy, Taiwan's biggest opposition party leader said here Tuesday.

"We maintain the position of 'one China, one Taiwan.' It is legitimate for Taiwan to get into the world community, particularly the United Nations," Hsu Hsin-liang, chairman of the Democratic Progressive Party (DPP), told a news conference.

Whatever ties Taipei has with Beijing, "I think Taiwan should be admitted to the UN independently," he said.

The DPP, established in 1986 and legalized in 1989 under democratic reforms, sparked a political crisis last November by formally demanding that Taiwan declare itself a republic, abandon its official goal of reunifying with the Chinese Mainland, and seek a UN seat.

Taiwan's nationalist rulers, who fled to Taiwan after losing the Chinese civil war in 1949 and still claim sovereignty over China, view calls for independence as seditious.

Asked what comment Japanese Emperor Akihito should make during his visit to China on October 23-28, the DPP chairman said his party leaves the matter to the Japanese people.

"As far as the DPP is concerned, we are interested in peace and we are opposed to war. In this regard, of course, we would recall the war committed by the Japanese militarists..." Japan cannot avoid the responsibility for that, Hsu said, adding, "But as to what specifically the emperor would say, I will say this is the matter for Japanese."

A DPP delegation led by Hsu arrived in Japan on Saturday [17 October] to meet with political leaders and attend a symposium on Taiwanese affairs. The 22-member team visited South Korea on Friday.

Hsu said the purpose of their trip here is to urge Japan to reexamine diplomatic ties with Taiwan. Tokyo broke off official relations with Taipei in 1972 when opening diplomatic channels with Beijing.

NHK Apology for Saying Emperor 'Head of State'

OW2410120992 Tokyo KYODO in English 1015 GMT 24 Oct 92

[Text] Tokyo, Oct. 24 KYODO—Japan's public television network apologized Saturday for describing Emperor Akihito, currently in China on an official visit, as "Kokka Genshu" or head of state during its morning news programs.

Japan Broadcasting Corp. (NHK) said it inadvertantly reported that the heads of state of the two countries referred to the history of the war between Japan and China.

In its 6 A.M. and 7 A.M. morning news programs, the state-supported network also said there was no precedent in China for an exchange of formal greetings at a welcoming banquet for a "foreign head of state."

In another segment of the news programs, NHK also identified the emperor as head of state.

An NHK spokesman said the public television network had received by noon about 20 telephone calls protesting and inquiring about the description.

A senior NHK editor acknowledged that the identification of the emperor as head of state could cause misunderstanding. "We should have added words or changed the description," he said.

Japan's postwar Constitution states that the emperor "shall be the symbol of the state and of the unity of the people."

Although "Kokka Genshu" is normally translated into English as "head of state," constitutional scholars such as Kosuke Kobayashi, professor emeritus of Aoyama Gakuin University in Tokyo, say it is wrong to describe the Japanese emperor as head of state.

In Japan, Kobayashi said, the Japanese cabinet is the head of state.

Russia Promised 'Stricter' Fisheries Monitoring

OW2210141992 Tokyo KYODO in English 1317 GMT 22 Oct 92

[Text] Tokyo, Oct. 22 KYODO—A top fisheries official expressed regret Thursday [22 October] over illegal salmon catches by Japanese fishing boats in Russian waters and said Japan would adopt stricter monitoring procedures.

Akio Kyoya, vice minister of agriculture, forestry and fisheries, told reporters he has asked the Fisheries Agency if it is possible to make changes in the catch monitoring system from next year.

The changes he intends to seek include requiring salmon fishing boats to be equipped with transponders to prevent their operating in illegal waters, and switching the catch-checking process to the agency from the Hokkaido government.

Several salmon fishing boats in Hokkaido are suspected of operating illegally in Russian waters, and the Hokkaido government has allegedly submitted a false report understating their catches, which are sharply higher than their acceptable quotas.

A Russian diplomatic source said the same day that illegal fishing is a serious violation, hinting it may even affect the fishery negotiations between the two countries scheduled for later this year.

He told reporters there may be some inappropriate points in Japan's regulatory procedures, although the Fishery Agency has not yet explained them in detail.

UN Request for Armor-Plated Vehicles Rejected

OW2410085592 Tokyo KYODO in English 0838 GMT 24 Oct 92

[Text] Tokyo, Oct. 24 KYODO—Citing a possible violation of its antiarms exports guidelines, the government has rejected a request from the United Nations to put armor plates under Japanese-made vehicles used in a Cambodian peacekeeping mission, informed sources said Saturday.

Officials of the U.N. Transitional Authority in Cambodia (UNTAC) expressed strong dissatisfaction with Tokyo's refusal to equip Japanese-made four-wheeled vehicles with mineproof armor plates, the sources said.

The UNTAC officials are reported to have argued that they use the vehicles on a peacekeeping mission in a war-torn country and not for fighting.

Japan's three principles against arms exports were set in 1967 under the Prime Minister Eisaku Sato government, banning the exports of weapons to communist bloc nations, countries to which the U.N. forbids arms exports and parties involved in international conflicts.

The government under Prime Minister Takeo Miki in 1976 tightened the self-imposed guidelines by forbidding weapons exports to all areas, not just the ones previously covered, and including arms manufacturing technologies in the principles.

The sources said UNTAC asked the government for armor-plated vehicles last spring.

While some government officials judged the export of armor plates would infringe on the principles against arms exports, others supported making an exception for the plates to cooperate with U.N. peacekeeping efforts in Cambodia, the sources said.

The government, however, finally rejected the request a few months later as Diet debate climaxed on a bill to send Japanese troops overseas to join U.N. peacekeeping activities and as a House of Councillors election was coming, the sources said.

The U.N. purchased 5,900 Japanese-made four-wheeled vehicles last year and more than 6,000 units by August this year through its headquarters in New York to use in peacekeeping missions in Cambodia and other countries, according to a survey by a Japanese automaker.

"As far as I know, ambulances can be exported under the Japanese law if they are armor-plated and used by the military. The latest decision is quite incomprehensible," a U.N. source said.

Kazuhisa Ogawa, military and internatinal affairs analyst, said the government decision is traced to indecisiveness by officials at the prime minister's official residence.

"The U.N. will use (the armor-plated vehicles) only for the protective purpose. If a person responsible had made a judgment with his good insight, the matter would have been settled once and for all," Ogawa said.

Defense Chief Miyashita Departs for Cambodia

OW2510075792 Tokyo KYODO in English 0708 GMT 25 Oct 92

[Text] Tokyo, Oct. 25 KYODO—Defense Agency Director General Sohei Miyashita left Tokyo Sunday for Cambodia to encourage Self-Defense Forces (SDF) personnel taking part in United Nations peacekeeping activities, agency officials said.

Six hundred engineers from the SDF are in Cambodia to repair roads and bridges for the UN Mission, which is preparing for a UN-supervised general election next April or May.

Miyashita is scheduled to attend a ceremony in Takeo, south of the Cambodian capital of Phnom Penh, on Wednesday to mark the beginning of the road repair works by the Japanese troops, according to the officials.

He will also meet with Yasushi Akashi, head of the UN Transitional Authority in Cambodia, to discuss the situation in Cambodia following bridge explosions in the central part of the country earlier this month.

The explosions that killed six residents are suspected to have been set off by the Khmer Rouge guerrilla group, which has refused to disarm in defiance of a peace agreement signed in Paris in October last year.

Thailand To Receive 93-Billion-Yen Loan Package

OW2610124892 Tokyo KYODO in English 1113 GMT 26 Oct 92

[Text] Tokyo, Oct. 26 KYODO—Japan will boost its next package of official loans to Thailand to a record 93 billion yen for fiscal 1992, a 10 percent increase from the previous year, in recognition of Thailand's progress in democratization, a senior Foreign Ministry official said Monday.

Vice Foreign Minister Hisashi Owada said at a press conference that the decision to increase Japan's 17th yen loan package to Thailand from the previous year's 84 billion yen was made in light of democratic developments in that country since last May's political turmoil in Bangkok.

Owada said Japan, which is Thailand's largest aid benefactor, hopes the new assistance will contribute to political and economic stability in Thailand for the benefit of the entire region.

Japan has been promoting a policy of using aid as a political tool to promote democratization, disarmament, free-market economy and human rights. Last Friday it froze economic assistance to Sudan over alleged human rights violations.

The Foreign Ministry's latest white paper on official development assistance (ODA) cited Thailand as a nation where Japan has successfully used its aid as leverage.

It said Japan's persistent demarches to Thailand during the May antigovernment uprising had some effect in ameliorating the situation without having to go so far as to cut off aid as it has to Myanmar.

The increase in the new yen loan package to Thailand, which was formally agreed upon earlier Monday between representatives of the two countries in Bangkok, contrasts with a fall in the amount offered recently to other such countries in the region as Indonesia and the Philippines.

Officials said the new loans for Thailand will carry a 3 percent annual interest rate and will be repayable over 25 years, including a seven-year grace period.

The largest beneficiary in the package, which covers 12 projects, will be a plan to repair the Ramindra-Atnarong Expressway, a major transportation artery in Bangkok.

To contribute to efforts underway by the Thai Government to alleviate the capital's almost unparalleled traffic congestion, Japan also will channel funds to a new project to build a new bridge over the Chao Phraya River.

Officials are especially pleased to see in this year's package a program to promote environmental protection, which is in line with Japan's desire for developing countries to request aid for environmental purposes, in addition to aid for economic growth.

Under the program, Japanese loans to a public industrial financing corporation will be loaned in turn to private enterprises to purchase equipment designed to cut back on pollutants.

Plutonium Vessel To Provision at Military Port

OW2610011192 Tokyo KYODO in English 0054 GMT 26 Oct 92

[Text] Paris, Oct. 26 KYODO—Japanese and French authorities have decided that a ship due to carry plutonium back to Japan will spend several days in a French military port to load supplies after its arrival in France, informed sources said Sunday.

The sending of the ship, the Akatsuki Maru, to an unspecified military port is seen an attempt to minimize obstruction from antinuclear demonstrators, including members of the international environmental protection group Greenpeace, who are gathered at Cherbourg, where the plutonium is to be loaded.

If the Akatsuki Maru follows the example of the Seishin Maru, another ship which carried a smaller load of plutonium back to Japan in 1984, it will call at Brest, a major naval station west of Cherbourg, to take on fuel and provisions before going on to Cherbourg.

Greenpeace is maintaining a watch over seven ports near Cherbourg.

After final checks to ensure the cargo is secure, the 3,800-ton ship is expected to sail for Japan by next week. Japanese officials have said it will carry one ton of the highly toxic material, but Greenpeace puts the figure at 1.7 tons.

The escort ship Shikishima, a patrol boat of the Maritime Safety Agency, will also provision in another port before joining the Akatsuki Maru off Cherbourg, the sources said.

The ships are expected in Japan by the end of the year.

The Akatsuki Maru will have some 50 people on board, including crew members, 13 armed Maritime Safety Agency personnel, and officials of the Power Reactor and Nuclear Fuel Development Corp.

The plutonium is destined for the Monju Fast Breeder Reactor near Tsuruga, Fukui Prefecture.

France's state-run nuclear fuel company Cogema has already completed packing the plutonium, which was recovered from spent fuel from Japanese power plants, in the 133 casks which the Akatsuki Maru will take on board.

Japan plans over the next 20 years to ship some 30 tons of plutonium recovered at facilities in Britain and France from spent nuclear fuel from Japanese nuclear power plants.

Women Petition Against Plutonium Shipment

OW2610062292 Tokyo KYODO in English 0438 GMT 26 Oct 92

[Text] Tokyo, Oct. 26 KYODO—A group of women lodged a formal protest Monday with the Science and Technology Agency against the plan to bring plutonium from France to Japan by ship.

The women, representatives of a women's environmentalist group called Niji No Hebi (Rainbow Serpent), handed over a petition bearing the names of 283 citizens' groups and individuals.

The list includes the names of Buichi Oishi, a retired former director general of the agency, and Bernard Dowiyogo, president of the Pacific island state of Nauru.

The Japanese ship Akatsuki Maru is nearing the French port of Cherbourg, where the Japanese Government says it will load about a ton of plutonium for use as fuel in a fast-breeder nuclear reactor.

The environmentalist group Greenpeace said earlier this month that the ship would carry about 1.7 tons of plutonium.

The petition says the transportation of the plutonium is dangerous because insufficient precautions have been taken. It calls on the agency to withdraw its approval for the power reactor and Nuclear Fuel Development Corp. to proceed with the shipment.

The petition cites the possibility of serious damage or a large-scale fire if the ship carrying the plutonium is involved in a collision and the risk of a leak from the casks holding the plutonium during the potentially lengthy period they would lie on the ocean floor if the ship sank.

Ichiro Tsuji, the director of the Office of Nuclear Materials Transport within the agency's Nuclear Safety Bureau, told the women their petition will be given "full consideration."

Komeito Plan Seeks Policy Cooperation With LDP

OW2010112092 Tokyo KYODO in English 1105 GMT 20 Oct 92

[Text] Tokyo, Oct. 20 KYODO—Japan's second-largest opposition party, Komeito, on Tuesday hammered out its action plan for 1993 which called for active cooperation with the ruling Liberal Democratic Party (LDP) on specific policies.

The program, to be submitted to the party's annual convention in late November, noted that Komeito will make efforts to cultivate the ability to "actively lead" the LDP in policies.

But it explained that Komeito is not seeking a coalition government with the LDP, saying the cooperation depends on each separate policy.

Komeito also said its aim is to "realize democracy in which changes of political power occur" and to make a change in politics by breaking the single administration of the LDP.

The party formed a coalition with the LDP and the Democratic Socialist Party (DSP) to enable the United Nations peacekeeping cooperation legislation to pass through the Diet in June.

Touching on a major money scandal involving the now-defunct Tokyo Sagawa Kyubin Co. delivery firm, the action program called for carrying out political reforms such as enacting a law on political ethics while drastically amending the political funds control law.

It pointed out that the Japanese public strongly distrusts politics because political reform has never been specifically carried out although there are demands for it whenever scandals occur.

The Komeito program also proposed holding an all-Asia peace conference including the United States and Russia to discuss peace and security in Asia in the post-cold war era.

It added that the Japan-U.S. Mutual Security Treaty should be maintained.

Questioning of Kanemaru Sought About Rev Moon

OW2110065292 Tokyo KYODO in English 0623 GMT 21 Oct 92

[Text] Tokyo, Oct. 21 KYODO—A lawyers' group asked Diet leaders Wednesday to question former ruling party kingpin Shin Kanemaru over allegations he pressured the Justice Ministry to grant Unification Church founder Rev. Moon Sun-myung entry into Japan earlier this year.

The group which deals with countermeasures to the commercial exploitation of inspirational services in Japan, contends that Moon should not have been permitted entry into Japan in March because of a 1982 conviction by a United States court for tax evasion.

According to the lawyers' group, moon was sentenced to an 18-month prison term in 1984 and should have been denied entry since Japanese law stipulates any foreigner sentenced to a prison term of more than a year is not permitted entry into Japan.

Moon served 13 months of the sentence before being released in 1985.

The Justice Ministry granted Moon a special entry into Japan on March 26 after the intercession of the Liberal Democratic Party's Parliamentarian's League To Consider Peace in Northeast Asia. Moon reportedly met Kanemaru and other LDP leaders during his visit.

The group asked the leaders of both houses of the Diet to summon Kanemaru and other LDP officials for questioning and exercise its powers to launch an investigation.

The association's leader, Hiroshi Yamaguchi, calling on Kanemaru's office in Nagatacho, said "In a newspaper interview, Mr. Kanemaru acknowledged that he applied pressure to Justice Ministry authorities to secure entry for Rev. Moon."

"The relevant facts and responsibility should be made clear," Yamaguchi added.

Kanemaru's office said it would reply after studying the question, Yamaguchi said.

Moon visited North Korea last December and met with President Kim Il-song, which political analysts in Seoul suggested was an effort by Pyongyang to use the South Korean religious leader, who lives in the United States, as a go-between for improving Pyongyang and Washington relations.

In August, Moon presided over a mass wedding of some 60,000 Unification Church believers that included popular Japanese actress Junko Sakurada and gymnast Hiroko Yamazaki.

The lawyers association concerns itself with unscrupulous organizations that take advantage of its victims by selling memorial tablets and other religious paraphernalia at exhorbitant prices to assuage the souls of departed ancestors and aborted fetuses.

Mitsuzuka Suggests Possible Diet Dissolution

OW2410122292 Tokyo KYODO in English 1140 GMT 24 Oct 92

[Text] Tokyo, Oct. 24 KYODO—A senior ruling party official suggested Saturday that the Diet may be dissolved during its next regular session to pave the way for a general election.

Hiroshi Mitsuzuka, former chairman of the Liberal Democratic Party's Policy Affairs Research Council, dropped the suggestion in a lecture in Asahikawa, Hokkaido.

"Heavy fog has shrouded the political world, and anything could happen," he said, adding "the tense situation will continue from the very beginning of the regular Diet session."

The session is to begin in January.

Mitsuzuka made the remark in describing the political chaos caused by the resignation from the Diet of the ruling party's kingmaker Shin Kanemaru to atone for his involvement in a money-mobster scandal.

Mitsuzuka, who heads the second-largest faction within the LDP, also predicted that opposition parties will increase pressure on the government to dissolve the Diet when it convenes in extraordinary session October 30.

He said the LDP will block all attempts to dissolve the Diet in order to pass a supplementary budget to stimulate the stagnant economy.

SDP 'Determined' on Lower House Dissolution

OW2610075592 Tokyo KYODO in English 0740 GMT 26 Oct 92

[Text] Tokyo, Oct. 26 KYODO—The Social Democratic Party (SDP) is determined to drive Prime Minister Kiichi Miyazawa into dissolving the House of Representatives in an effort to investigate the Tokyo Sagawa Kyubin scandal in the upcoming extraordinary Diet session, SDP Chairman Makoto Tanabe says.

Tanabe told KYODO News Service in an interview that a push to dissolve the lower house will emerge as the opposition parties work to get a full accounting of the scandal in the Diet session starting October 30.

Tanabe said the SDP, the largest opposition party, will make every effort to clarify the scandal, which is said to involve more than 10 politicians and to implement political reform. The public backs both efforts, he said.

The SDP will cooperate as much as possible with the other opposition parties in the coming Diet session to fight with the Liberal Democratic Party (LDP) over investigating the scandal, he said.

Tanabe said lawmakers should call Hiroyasu Watanabe, the former president of the defunct Tokyo Sagawa Kyubin Co., to the Diet to testify as a sworn witness.

Tanabe said lawmakers must ask Watanabe—who is on trial on charges of aggravated breach of trust against his company—about why the scandal broke out and whether politicians were involved in the scandal.

In addition, Tanabe said the Diet should ask retired ruling LDP kingmaker Shin Kanemaru about why he received 500 million yen in illegal donations from Watanabe and how he distributed the money to members of his LDP faction.

Kanemaru, the former LDP vice president, gave the money to more than 60 lower house members in his faction, which was founded by former Prime Minister Noboru Takeshita, political sources said.

Prosecutors earlier issued a summary indictment against Kanemaru for violating the political fund control law. He paid a fine of 200,000 yen.

Tanabe also said Takeshita should go to the Diet to testify as a sworn witness on his relations with a crime syndicate boss who allegedly helped him become prime minister in November 1987.

On political reform, Tanabe said the party will make every effort to get bills through the Diet to prohibit organizations and corporations from donating money to political parties and to tighten the political fund law.

The law bars politicians from receiving more than 1.5 million yen from a single person or corporation in a year.

Tanabe also said the party wants to get a bill through the Diet to reform the distribution of seats to increase seats in heavily populated urban constituencies.

Minister Hata Hints at LDP Faction Split

OW2510050692 Tokyo KYODO in English 0458 GMT 25 Oct 92

[Text] Tokyo, Oct. 25 KYODO—Finance Minister Tsutomu Hata indicated Sunday he would leave the largest faction in the ruling Liberal Democratic Party (LDP) unless the feuding over its new chairman is resolved through negotiations.

In a television program aired Sunday morning, Hata, who was recommended as the new faction chief by Ichiro Ozawa, acting chairman of the faction, and his supporters, said he thinks a breakthrough in the rift can be found if the two rival groups negotiate the matter thoroughly.

Hata said he will have to initiate a new action if a breakthrough is not achieved, apparently indicating a splitup of the powerful faction is possible.

The bloc, founded by former Prime Minister Noboru Takeshita and formally called Keisei-kai, has 109 Diet members, more than one-fourth of all LDP legislators.

On Thursday, a meeting of five senior faction members nominated former LDP Secretary General Keizo Obuchi as the new leader to succeed Shin Kanemaru, former LDP vice president who resigned from the House of Representatives over his illegal receipt of a 500 million yen donation from Tokyo Sagawa Kyubin Co.

However, Ozawa, who strengthened his power base under Kanemaru's patronage, and two other panel members loyal to him boycotted the meeting and criticized Obuchi's nomination.

Internal fighting in the faction has been intensifying between pro- and anti-Ozawa groups over the chairmanship of the group since Kanemaru's resignation October 14.

The anti-Ozawa group plans to hold the faction's general meeting Tuesday at the earliest to endorse the nomination of Obuchi, a close aide of Takeshita.

Miyazawa Urges Emergency Political Reform Plan

OW2610101592 Tokyo KYODO in English 1003 GMT 26 Oct 92

[Text] Tokyo, Oct. 26 KYODO—Prime Minister Kiichi Miyazawa urged the ruling Liberal Democratic Party (LDP) Monday to draw up an emergency political reform plan to counter mounting public criticism of scandal-tainted politics, party officials said.

Miyazawa, who is also LDP president, made the request at a meeting with LDP Secretary General Tamisuke Watanuki, the officials said.

The prime minister reportedly asked Watanuki to consider how the party could demonstrate its stance on political reform other than a political reform package already agreed between the LDP and the opposition, they said.

The LDP and opposition parties have agreed to enact an 18-point political reform package during an extraordinary Diet session to be convened Friday, which includes disclosure of the assets of parliamentarians and prefectural governors.

Miyazawa has pledged to unveil by November a comprehensive program aimed at reducing the cost of campaigning and redressing the vote disparity.

The prime minister needs to show his resolve to carry out reform to counter the public outrage over the Tokyo Sagawa Kyubin money scandal, political sources said.

The scandal forced the retirement of former LDP Vice President Shin Kanemaru from the political scene and a subsequent intra-faction power struggle within the party's largest bloc that he led, the sources said.

Miyazawa also on Monday met Shigeru Kasuya, an LDP member in the House of Representatives, to urge him to accept the post of head of the LDP's political reform headquarters to succeed Takashi Hasegawa, who died last week, party officials said.

Kasuya, who belongs to the faction led by Miyazawa, accepted and the appointment will be formally agreed at a meeting of party executives Tuesday, the officials said.

Faction Urges Lower House To Resolve Dispute

OW2610055292 Tokyo KYODO in English 0523 GMT 26 Oct 92

[Text] Tokyo, Oct. 26 KYODO—A group of 42 members of the House of Councillors belonging to the largest faction of the ruling Liberal Democratic Party (LDP) appealed to fellow faction members in the House of Representatives Monday to resolve a dispute between them over their next leader.

The upper house members made the appeal amid continued feuding between rival groups headed by the party's former secretary general, Ichiro Ozawa, and Keizo Obuchi, a former chief cabinet secretary.

They said they will make every effort to avoid a split in the faction, named for former Prime Minister Noboru Takeshita. The feud started after faction boss Shin Kanemaru resigned from the House of Representatives, effectively retiring from politics, to take responsibility for the Tokyo Sagawa Kyubin scandal.

In the office of the 109-member Takeshita faction, acting faction head Ozawa and two followers asserted Monday that they are in charge of the chairman's room.

The pro-Ozawa group argues that Obuchi's claim to head the faction is invalid as no consensus has been reached among faction members.

The room adjoining the chairman's room was occupied by secretaries of leaders of the group opposing Ozawa, among whom are Obuchi and former Finance Minister Ryutaro Hashimoto.

On October 23, Obuchi announced that he had become head of the faction in succession to Kanemaru following a meeting of its eight-member Nomination Committee.

The announcement virtually split the 109-member faction into two groups—one favoring Obuchi and the other backing Ozawa, who wants incumbent Finance Minister Tsutoma Hata to become the faction's new leader, political sources said.

Of the 67 members of the faction in the lower house, 36 support Ozawa, 17 Obuchi, and 14 are uncommitted.

Mounting rivalry between the groups for and against Ozawa has emerged since the October 14 announcement of Kanemaru's resignation from the lower house. The lower house endorsed the resignation on October 21.

Kanemaru acknowledged receiving 500 million yen in illegal political contributions from Tokyo Sagawa Kyubin Co. He was fined 200,000 yen but was not required to submit to questioning by prosecutors, and retired amid mounting public calls for his resignation.

LDP Decides on Takeshita's Speaking to Panel

OW2610063692 Tokyo KYODO in English 0627 GMT 26 Oct 92

[Text] Tokyo, Oct. 26 KYODO—The ruling Liberal Democratic Party (LDP) decided Monday to let former Prime Minister Noboru Takeshita explain his alleged ties to the Tokyo Sagawa Kyubin money scandal in the House of Representative's Council on Political Ethics, LDP sources said.

The LDP decided, however, to reject opposition parties' demand that retired kingmaker Shin Kanemaru and Takeshita testify as sworn witnesses in the extraordinary Diet session expected to convene Friday.

LDP Diet Affairs Committee Chairman Seiroku Kajiyama received word on the decision from LDP Secretary General Tamisuke Watanabe and LDP Policy Research Council Chairman Yoshiro Mori in a meeting at the party's headquarters Monday morning, the sources said.

The LDP plans to consult opposition parties about the decision in a series of meetings with Diet affairs chairmen of the key opposition parties from Tuesday, but the talks are likely to run into difficulties because of the opposition camp's hard-line stance calling for sworn testimony, the sources said.

Keisuke Nakanishi, chairman of the lower house's committee on rules and administration, will also discuss with the opposition parties how to bring about a Takeshita appearance before the panel, the sources said.

The LDP wants Takeshita to give his explanation on Thursday before the Diet session opens, the sources said.

The 78-year-old Kanemaru announced his resignation from the House of Representatives on October 14 over his acceptance of an illegal 500 million yen political donation from the now-defunct Tokyo Sagawa Kyubin Co. and his alleged relations with mobsters.

According to prosecutors, shortly before the LDP presidential race in October 1987 Kanemaru contacted the late leader of the Inagawakai Gang through Hiroyasu Watanabe, former president of Tokyo Sagawa Kyubin Co. to quell a rightist group's harassment campaign against Takeshita.

Takeshita has reportedly expressed willingness to dispel allegations that he has ties with mobsters.

At the Council of Political Ethics, the ruling and opposition parties have agreed to reinforce its measures for political reform by giving Diet members a chance to explain their positions in scandals whenever they offer to do so.

The lower house's council consists of 11 Diet members, including six from the LDP, three from the Social Democratic Party (SDP) and one each from the Komeito and the Japanese Communist Party.

The council has never been activated, however, because in 1986 and 1987 the LDP turned down requests from three opposition parties to make Executive Council Chairman Koko Sato and former Prime Minister Kakuei Tanaka explain their alleged involvement in the Lockheed payoff scandal.

SDP Critical of Leadership in Niigata Elections

OW2610051992 Tokyo KYODO in English 0453 GMT 26 Oct 92

[Text] Niigata, Oct. 26 KYODO—Some local members of the Social Democratic Party (SDP) are critical of the party leadership for failing to field an SDP candidate for Sunday's Niigata gubernatorial election, party officials said Monday.

In the election for a successor to former Gov. Kiyoshi Kaneko, who resigned over his involvement in the Tokyo Sagawa Kyubin money scandal, the Japanese Communist Party (JCP) candidate garnered a massive number of votes.

However, the candidate, Akira Nagasaki, a former president of Niigata University, failed to win against conservative candidate Ikuo Hirayama, a former Bank of Japan official.

Hirayama was backed by the SDP, together with the ruling Liberal Democratic Party (LDP), Komeito, and the Democratic Socialist Party.

Nagasaki, 68, gained 354,116 votes, two and half times more than in his previous attempt to win the Niigata gubernatorial election, and accounting for about 40 percent of the total of some 910,000 votes cast in the election.

SDP House of Councillors Parliamentarian Yutaka Shitoma cited a record low turnout rate at 50.66 percent in the gubernatorial election.

Shitoma, who ran for the SDP in the 1989 Niigata gubernatorial election, said, "half of the SDP's votes went to Nagasaki."

Shigeo Yoneyama, a Niigata Prefectural Assembly member of the SDP, censured the party's top leaders for not fielding a candidate.

But Nobuyuki Sekiyama, head of the SDP's Niigata prefectural headquarters, defended the party's choice to back Hirayama together with the LDP, saying, "(We) do not think it was a mistake."

Hirayama, a native of Niigata Prefecture on the Sea of Japan coast, garnered 560,210 votes in the election.

Kaneko's resignation was prompted by revelations he had received suspected illegal political donations from Tokyo Sagawa Kyubin Co. before the 1989 election, which he won with LDP backing.

Kaneko and two campaign organizers have been indicted on charges of violating the Political Funds Control Law by making false reports on the 100 million yen received from the now-defunct express parcel delivery company.

Miyazawa Briefed on Supplementary Budget Progress

OW1910125292 Tokyo KYODO in English 1203 GMT 19 Oct 92

[Text] Tokyo, Oct. 19 KYODO—The Ministry of Finance (MOF) is prepared to submit a supplementary budget to the Diet when it convenes an extraordinary session, ministry officials said Monday.

Vice Finance Minister Mamoru Ozaki and other senior ministry officials disclosed the timetable when they briefed Prime Minister Kiichi Miyazawa on their progress drafting [as received] the extra budget, which features much of a 10.7 trillion yen pump-priming package announced late August.

The extraordinary Diet session is expected to begin later this month.

Official Not Seriously Concerned About Stocks

OW1910102592 Tokyo KYODO in English 1017 GMT 19 Oct 92

[Text] Tokyo, Oct. 19 KYODO—A top official of the Ministry of Finance (MOF) said Monday he has no serious concern about the renewed downfall of the Tokyo stock market and forecast an upturn in the near future.

The MOF official, speaking on condition of anonymity, said the Nikkei stock average's tumble below the 17,000 line Monday was not a product of any new major market-dampening factors.

The benchmark Nikkei average closed the first day of the week below 17,000 for the first time in about two months.

He said the fall was due to factors such as usual Monday sluggishness, a wait-and-see stance among investors before the money supply statistics due out Tuesday, the expected Group of Seven (G-7) deputies' meeting, and the midterm business reports filed by Japanese companies.

The market will soon start reacting to the growing effects of the government's pump-priming package adopted last August, as well as to monetary easing since July 1991, he said.

The economic indicators, like the level of inventories, are beginning to show some improvements, he noted.

"(The market) will begin to respond (to these conditions) to some extent," he said.

The official, while refusing to confirm whether the deputy finance ministers of the G-7 major industrial countries will be convening, said the topics would include the state of Russia's economic reforms and the currency markets.

He also said the MOF plans to provide no special support to Hyogo Bank, which earlier Monday announced a plan to reconstruct its battered management.

The bank should try to restructure its management through its own efforts, he said. "We just hope the efforts will soon produce results."

Ruling Party Begins Debate on Tax Reforms

OW2210125492 Tokyo KYODO in English 1121 GMT 22 Oct 92

[Text] Tokyo, Oct. 22 KYODO—The ruling party's powerful policy-making panel on tax affairs on Thursday began debate on tax reforms for the next fiscal year with the panel's chief ruling out any review of the controversial consumption tax.

Kabun Muto, chairman of the Liberal Democratic Party's research commission on the tax system, told key commission members that he has no intention of taking up a review of the consumption tax in discussing tax reforms for fiscal 1993.

"A review of the consumption tax is a long-term target," Muto said in an opening speech to the commission meeting.

Speaking to reporters after the commission meeting, Muto said that it would take at least two to four years to prepare for a review of the consumption tax, which is meant to raise the tax.

"The Japanese people are still allergic to the consumption tax. So we have to wait at least two to four years to create an environment" for raising the tax, Muto said.

Asked about a widely desired income tax cut, Muto said it is difficult to cut income taxes now that tax revenues have fallen far short of the anticipated level.

The 3 percent consumption tax was introduced in April 1989 despite strong public opposition, which led to the ruling party's defeat in the upper houe election in July 1989.

The LDP's tax research commission is to hold a meeting of top officials once a week to discuss how tax reforms should be made in the next fiscal year. The panel has a strong influence on the Finance Ministry's tax policy.

Major Banks' Nonperforming Loans Total Reported

OW2310232492 Tokyo KYODO in English 2312 GMT 23 Oct 92

[Text] Tokyo, Oct. 24 KYODO—Japan's 21 major banks had a total of 12 trillion yen worth of nonperforming loans at the end of September, up about 7,997 billion yen from late March, Japan Broadcasting Corp. (NHK) reported Saturday.

The expansion in bad loans with collateral, whose principal and interest payments are delayed for more than six months, resulted mainly from a lingering slump in the real estate market, NHK said.

The 21 banks, which consist of 11 largest commercial banks, three long-term credit banks, and seven trust banks, also had 3.8 trillion yen in unrecoverable loans without collateral late last month, up from 1.2 trillion yen six months earlier, NHK said.

Next week the Finance Ministry is to announce total amounts in both bad loan categories.

Draft Plan Urges Greater Roles by Medium Cities

OW2110152792 Tokyo KYODO in English 1123 GMT 21 Oct 92

[Text] Tokyo, Oct. 21 KYODO—Nonprovincial capital cities with populations of more than 300,000 should shoulder some of responsibilities now held by prefectural governments, according to a draft plan on Wednesday.

The draft plan prepared by the Home Affairs Ministry said that cities with 300,000 to 350,000 citizens and with a certain area size should be designated as local kernel cities in order to decentralize prefectural administrative authorities.

The draft plan was submitted to a subcommittee of the Administrative Reform Council. A copy of the draft plan was made available to KYODO News Service.

The plan also suggested that sparsely-populated prefectural capitals and satellite cities adjacent to big cities should be excluded from the designation.

Ministry officials said 20 to 30 cities across the country meet conditions to be considered core cities, according to the proposal.

In terms of shouldering some prefectural administrative powers, the function of the core cities would be similar to that of cities currently assigned special designations, they said.

But the draft plan did not recommend the creation of administrative and electoral wards known as "ku" in local central cities. Specially designated cities have such wards.

The subcommittee will compile a report and submit it to Prime Minister Kiichi Miyazawa next spring.

International Team of 20 Begins Work on Reactor

OW2110134892 Tokyo KYODO in English 1325 GMT 21 Oct 92

[Text] Mito, Ibaraki Pref., Oct. 21 KYODO—A team of 20 scientists from Japan, the United States, Russia, and the European community (EC) began work Wednesday on an international project to build an experimental nuclear fusion reactor.

The team will spend the next six years designing a part for the reactor, known as the International Thermonuclear Experimental Reactor (ITER), at a Japan Atomic Energy Research Institute (JAERI) laboratory, in the central Ibaraki Prefecture town of Naka.

The four parties signed an agreement in July to jointly design the reactor, which is due to be operational by 2005.

Japan was chosen as the host country for a joint engineering design team.

Other teams working on the project began operations at the same time in San Diego in the U.S. and in Garching near Munich, Germany.

The head of the Naka center, Michel Huguet, will coordinate an international team of 20 researchers to work in tandem with the other two centers.

The Naka center will be responsible for the design of the exterior of a vacuum vessel.

Emperor, Empress Visit Beijing, Meet Officials

WA2610145892

For reportage on the visit to China PRC by Emperor Akihito and Empress Michiko, including reports on their talks with Chinese President Yang Shangkun and Premier Li Peng, please see the Northeast Asia section of the 26 October China DAILY REPORT and subsequent issues.

North Korea

South Student Action Against U.S. Envoy Praised

SK2410132792 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 24 Oct 92

[Commentary by station commentator Chong Pong-kil: "Master's Absurd Remarks To Maintain Colonial Fascist Rule"]

[Text] According to a report, because of the strong anti-U.S. struggle by South Korean youths and students, Gregg, U.S. ambassador to South Korea, was forced to give up his attempt to attend an international seminar involving South Korea, the United States, and Japan, which was held at Pusan University.

On 22 October, at the news that U.S. Ambassador Gregg would attend the so-called international seminar, Pusan University students blocked the university's front and back gates beginning at 1200. They held a sit-in there for two hours while shouting anti-U.S. slogans.

Gregg could not attend the international seminar and was disappointed at not attending. Gregg's poor situation shows that the South Korean youths and students are violently staging a struggle for independence against the United States. It shows that if the South Korean people stage a more violent struggle, the cause against the United States and for independence will be realized without fail.

What cannot be overlooked is that Gregg, frustrated in his attempt to attend the seminar, raved before reporters that he did not think that the democracy, claimed by the students, reflects the true future of South Korea. This clearly reveals that the U.S. true intention lies in frustrating the struggle of South Korean youths and people to realize social democracy and independence. The U.S. intends to forever maintain its colonial military fascist terrorist rule in South Korea. This is an unbearable mockery and challenge to the South Korean people's call for independence, democracy, and reunification.

As everyone knows, the independence and democracy of South Korean society are the unanimous desires of South Koreans. It is a struggle that cannot be delayed further.

The U.S. imperialists have occupied South Korea with armed forces and have gotten their faithful stooges to conduct a colonial military fascist rule for approximately 40 years. For this reason, the South Korean people's freedom and right to democracy as well as their right to existence are trampled underfoot. The South Korean people have suffered great hardships in life. Through practical living experiences during the past 40 years, the South Korean people correctly came to know that if the

U.S. imperialists are left as they are in South Korea, they cannot achieve the society's democracy and independence. Even amid the frenzied fascist oppression, the South Korean people are vigorously carrying out the anti-U.S. struggle to achieve independence. Nevertheless, Gregg is babbling that the democracy which the students are insisting on, is not the future of South Korea. This is a brazen-faced scheme of a colonial ruler who is pursuing not democracy but only the colonial military fascist rule.

Stemming from this ugly purpose, the U.S. imperialists brutely trampled the new bud of democracy which started from the June people's resistance, thus dragging out the Sixth Republic. Even today, which is the last period of the Sixth Republic, the U.S. imperialists are viciously maneuvering to maintain and prolong their colonial military fascist rule in South Korea.

The political situation of a weak ruling party and strong opposition parties, which was created in South Korea, has been reversed, and the current president of the Democratic Liberal Party [DLP], who is a traitor against democracy and a political prostitute, was nominated as a presidential candidate. The manipulator behind this is also the U.S. imperialists. The U.S. imperialists selected the DLP president, their longtime cat's paw, as the next president and supported him systematically. Today, through him they are trying to maintain and prolong the DLP's dictatorial colonial fascist rule in South Korea.

Voices denouncing the fact that the DLP president has been selected as the presidential candidate in South Korea are growing louder, and the people's struggle to deter and rupture the DLP from taking power again is being enhanced. For Gregg to babble as such at this time reveals the U.S. imperialists' dark intention.

By making the DLP take power again, the U.S. imperialists are all the more trying to make the South Korean society into a fascist one and maintain and prolong their colonial rule in South Korea forever. This is a foolish fantasy.

The U.S. imperialists' maneuver to occupy South Korea forever and the colonial fascist rule are beckoning South Korean youths, students, and people to develop a stronger anti-U.S. struggle to achieve independence.

The U.S. imperialists should correctly look at the situation developing in South Korea, act with discretion, and immediately withdraw from South Korea by taking with them their aggressive forces and all murderous weapons and equipment in accordance with the people's demand. This will also be in the interest of the United States.

U.S. Urged To Take 'Step of Detente'

SK2510091792 Pyongyang KCNA in English 0839 GMT 25 Oct 92

["Week of Disarmament Amid International Concern"—KCNA headline]

[Text] Pyongyang October 25 (KCNA)—NODONG SINMUN today comes out with a by-lined article in connection with the week of disarmament beginning on October 24 on an international scale.

Noting that various anti-war, anti-nuke activities for disarmament and peace are taking place in different parts of the world in the week of disarmament this year, the article says:

Such criminal acts as increasing military spendings, reinforcing armed forces, staging large-scale war exercises and creating a nuclear threat should not be allowed under the circumstances in which the cold war has come to an end and the East-West confrontational structure has crumbled.

In the Far Eastern region, however, the warlike forces are strengthening their policies of military confrontation as ever.

The United States and the South Korean authorities announced their decision to resume the "Team Spirit" joint military exercises next year and are continuously shipping in South Korea and its surroundings sophisticated armaments including warplanes and warships capable of carrying nuclear weapons.

Japan which is rushing headlong along the road of a military power and overseas aggrandizement has sharply increased her military spendings and reinforced her armed forces. She is putting particular spurs on the stockpiling of huge plutonium to produce nuclear weapons.

This is apparently contrary to the international trend toward disarmament and detente.

Disarmament and detente should begin from such regions fraught with the biggest nuclear threat where aggression forces are concentrically deployed. The Korean peninsula is target No. 1 in this.

If the United States really want peace and disarmament, it must take a step of detente first on the Korean peninsula where distrust and confrontation are most acute. And it must quickly respond to our call for an inspection of nuclear weapons and bases in South Korea and pull its forces out of there.

Paper Says Resuming Team Spirit Threatens Talks

SK2610105492 Pyongyang KCNA in English 0956 GMT 26 Oct 92

["Whither Does the South Side Intend To Bring North-South Relations"—KCNA headline]

[Text] Pyongyang October 26 (KCNA)—The South Korean military fascist force at a military confab with its American master held in Washington decided to resume the "Team Spirit" joint military exercises, shelve the "second-phase reduction plan" of the U.S. occupation forces in South Korea and deploy "rapid deployment and deterrent combat force" mainly consisting of U.S. Air Force and naval combat force.

The South Korean rulers announced results of investigation into the "case of the Workers' Party of Korea in South Korea" and have launched into a vociferous smear campaign against the North on that pretext.

This is a crude violation of the agreement and joint declaration on denuclearization adopted and effectuated between the North and the South of Korea and an unpardonable act of treachery to wreck North-South reconciliation and dialogue itself and bring the situation back to the original state of confrontation, a NODONG SINMUN analyst today says, and goes on:

What is required of the responsible authorities of the North and the South at present is to faithfully implement the North-South agreement whereby they promised to solve the question of peace and reunification of the country by the efforts of the nation itself from an independent position.

If the South Korean authorities have a modicum of national conscience, they should unconditionally revoke all the unjust military decisions adopted at the 24th South Korea- U.S. "annual Security Consultative Meeting" and take a step for getting the U.S. forces and nuclear weapons withdrawn from South Korea.

And they must frankly admit that the "case of the WPK in South Korea" is a drama they invented as a "campaign stratagem" and apologize for it.

They must also promptly disband the "Security Planning Board," scrap the anti-reunification fascist "national security law," unconditionally and immediately release all those whom they arrested for complicity in the false "case" and discontinue the anti-DPRK campaign.

The United States must look straight at the development of the situation, refrain from increasing the tensions on the Korean peninsula, withdraw its occupation troops and nuclear weapons from South Korea without delay and do things helpful to the implementation of the North-South agreement and joint declaration on denuclearization.

If the United States and the South Korean authorities opt to aggravate confrontation and tensions by resuming "Team Spirit" joint military exercises, lending a deaf ear to our advice, all the dialogues including the North-South high- level talks would be in jeopardy, grave difficulties be laid in the way of the implementation of the North-South agreement and they would be held wholly responsible for all the consequences arising therefrom.

U.S.-ROK Annual Security Meeting Condemned

SK2410055192 Pyongyang KCNA in English 0450 GMT 24 Oct 92

["New Strategy Against North Increases Danger of War"—KCNA headline]

[Text] Pyongyang October 24 (KCNA)—The South Korean "defence minister" in his report to the "Defense Committee of the National Assembly" on October 22 blared that South Korea had agreed with the United States upon a "strategy" whereby the South Korean puppet army would undertake mainly the land warfare and the U.S. Forces the naval and air battles in case a war broke out on the Korean peninsula, according to a radio report from Seoul. He said this agreement had been reached at the South Korea-U.S. "annual Security Consultative Meeting" held in Washington recently.

This fact proves that the South Korean authorities pay no heed to the North-South agreement in which the sides reaffirm the three principles of independence, peaceful reunification and great national unity and promise non-aggression but are madly whetting the sword of a war of aggression against fellow countrymen, serving foreign imperialist aggressive forces, still captive to the spirit of flunkeyist treachery.

As for the afore-said "strategy", it reveals the intention of the United States to wage a new war of aggression against the North, minimizing its losses by putting up the South Korean puppet army as the shield.

By accepting this "strategy", the South Korean authorities revealed to the full once again their treacherous nature in seeking a way of prolonging their days in serving foreign imperialist forces as a tool of aggression.

Daily Denounces Upcoming U.S.-Japan 'War Game'

SK2410061792 Pyongyang KCNA in English 0457 GMT 24 Oct 92

["What Is the War Game For?"—KCNA headline]

[Text] Pyongyang October 24 (KCNA)—The combined military exercises that the U.S. Forces and the Japanese "Self-Defense Forces" will start in Hokkaido and Honshu on November 7 will screw up the tension on the Korean peninsula, increase the danger of war and pose another threat to peace of Asia and the rest of the world, warns NODONG SINMUN today.

The exercises to be held on the largest scale ever in history with the participation of the U.S. and Japanese three services, the chief purpose of which will be the increase of the capacity of carrying out a "successful coordinated operation" and strengthening the "posture of prompt action" in the "event of contingency", are designed to threaten the DPRK by deliberately aggravating the situation in the Far East and creating an atmosphere of war, the analyst notes and stresses:

On the day when the program of the joint military manoeuvres was made public, spokesman for the U.S. Defense Department Williams went out of his way to stress that the war game would not be one for "putting pressure on North Korea".

His remarks remind us of a thief with a guilty conscience. He attempted to conceal the fact that the exercises are directed against the DPRK.

The United States has spread "suspicion of nuclear development" by the DPRK, a sheer fiction, to find a pretext to justify its policy of war. A proof of this is furnished by the fact that the United States and South Korea at the recent "annual Security Consultative Meeting" agreed to resume the "Team Spirit" joint military exercises, taking issue with the DPRK's "nuclear problem".

The participation of the U.S. Marines, a shock brigade of invasion, in the projected rehearsal implies that it is aimed at a landing operation on the Korean peninsula.

The United States and Japan must cancel the reckless war game.

DPRK-PRC Friendship Lauded on CPV Anniversary

SK2510023092 Pyongyang Korean Central Broadcasting Network in Korean 0010 GMT 25 Oct 92

[NODONG SINMUN 25 October editorial: "Great Feats in the History of Korea-China Friendship That Will Shine for a Long Time"]

[Text] Forty-two years have passed since the Chinese People's Volunteers [CPV] participated in the Korean war. Beginning on 25 October 1950, the CPV began to accomplish immortal feats in the Korean war during the most difficult time in our people's Fatherland Liberation War against the U.S. imperialists' armed invasion.

Observing this anniversary, the Korean people and the People's Army soldiers look back with deep emotion on the days of the fierce war in which they defeated the U.S. aggressors shoulder to shoulder with Chinese comrades-in-arms and send militant greetings to the Chinese people and the soldiers of the People's Liberation Army.

The CPV participation in the Korean war was a clear demonstration of the militant friendship and revolutionary fidelity between the Korean and Chinese people. Although it was a difficult time for the Chinese people, having just won the people's revolution and beginning to create a new life, they sent volunteers—their excellent sons and daughters—under the banner of the struggle to resist U.S. aggression and aid Korea in protecting their homes and country, and they helped our people in their just struggle.

The brave CPV fighters and our brave People's Army fighters defended the land of our country inch by inch and to the last amount of bloodshed. They demonstrated unequalled valor and mass heroism. In firm unity the Korean and Chinese armies and peoples fought bravely, sharing life, death, joy, and sorrow at the front and in the rear and helping each other like real blood relations. In this way they inflicted a tremendous defeat on the U.S. imperialist aggressors in the three-year war and won a great historic victory.

After the war the CPV also actively assisted our people in their rehabilitation and construction. Our people will long remember the CPV's heroic feats in the Korean war. The CPV participation in the Korean war was a brilliant example of proletarian internationalism and connected the peoples of Korea and China more firmly as if they were blood relations.

The great leader Comrade Kim Il-song has proclaimed: Korea-China friendship, with its long historical roots and tradition, has continuously been strengthened and developed by the joint efforts of the two parties, two countries, and two peoples of Korea and China.

The peoples of Korea and China have long shared life, death, and destiny in the struggle against their common enemies. The Korean and Chinese people fought together against Japanese imperialism and U.S. imperialism and closely supported and cooperated with each other in the struggle to build socialism. Korea-China friendship was personally formed and fostered by our people's great leader Comrade Kim Il-song and the Chinese people's great leader Comrade Mao Zedong and respected Comrade Zhou Enlai. Under the care of the two countries' party and state leaders, Korea-China friendship has continued to develop. The parties and peoples of Korea and China are struggling to adhere to and develop the socialist cause and to defend peace in Asia and the world.

The fraternal Chinese people have overcome trials and obstacles raised in the course of the war and built on their broad land a new and prosperous socialist China by displaying the revolutionary spirit of self-reliance and fortitude under the leadership of the CPC.

Today the Chinese people are achieving great successes in the struggle to accomplish national stability, to accelerate the country's modernization, and to construct socialism representing China's characteristic traits.

Our people are happy about the great success achieved by the Chinese people in attaining growth, prosperity, and development, and wholeheartedly wish them a brilliant success in their new struggle to implement the grand task presented at the 14th CPC Congress.

At the same time, our people send a message of firm solidarity with the Chinese people's struggle to achieve reunification of the fatherland based on the principle of peaceful reunification and one country with two systems.

Today our people are vigorously struggling to defend and further develop the popular mass-centered socialism of our own style and to achieve the cause of reunification of the fatherland by firmly standing by the great leader Comrade Kim Il-song and the Workers Party of Korea.

Today's situation, when imperialists are intensifying anti-socialism maneuvers, demands that socialist countries strengthen their unity and cooperation to defend the socialist cause.

It is a will and aspiration of our two countries' people to continue to consolidate and develop the traditional friendly and cooperative relations between the DPRK and China.

Our people believe that the traditional blood friendship and unity existing between the two countries' parties and people will also be further strengthened and developed in the joint struggle to obtain the victory of the socialist, communist cause in the future.

Ministry Hosts Reception for CPV Anniversary

SK2510084492 Pyongyang KCNA in English 0818 GMT 25 Oct 92

[Text] Pyongyang October 25 (KCNA)—The Ministry of People's Armed Forces gave a reception at the Okryu restaurant on October 24 on the occasion of the 42nd anniversary of the entry of the Chinese People's Volunteers [CPV] into the Korean war.

Present there on invitation were Chinese Ambassador to Korea Zheng Yi and his embassy officials, members of the CPV's delegation of the Korean-Chinese side to the Military Armistice Commission and other Chinese guests staying here. On hand were Choe Kwang, member of the Political Bureau of the Central Committee [C.C.] of the Workers' Party of Korea and chief of the general staff of the Korean People's Army [KPA]; Kim Tal-hyon, vice-premier of the Administration Council; Yi Chapang, chairman of the State Commission of Science and Technology and chairman of the C.C., the Korea-China Friendship Association; and other officials concerned.

Speaking at the reception, general of the KPA Chon Chae-son recalled that during the Fatherland Liberation War the fraternal Chinese people formed the volunteers with their fine sons and daughters under the banner of "resisting America and aiding Korea, safeguarding the home and defending the motherland" and sent them to the Korean war. The entry of the CPV into the Korean war was a selfless aid of the Chinese people to the Korean people who were fighting against the imperialist aggression and a living example of proletarian internationalism, he noted.

He said the feats performed by the valiant soldiers of the CPV in the Korean war and the postwar rehabilitation and construction will remain deep in the memory of the Korean people. He paid high tribute to the fallen fighters of the CPV who heroically fought, devoting their precious youth and life in the Korean war.

He stressed that the Korean people and Army value the Korea-China friendship forged in the struggle against imperialism in the past and will continue to make every effort to strengthen and develop this friendship down through generations.

Ambassador Zheng Yi spoke next.

Noting that the comrades-in-arms of China and Korea repulsed armed invasion of the U.S. imperialists who had boasted of being the "strongest" in the world and won a great victory in the Korean war through their bloody struggle in the undaunted revolutionary spirit of valiant struggle and victory, he emphasized that this great victory not only defended the two young socialist countries but also safeguarded peace in Asia and the world.

Today the Korean people are vigorously struggling to bring the Korean-style socialism to a new height under the leadership of President Kim Il-song and comrade secretary Kim Chong-il, he said, adding: We sincerely wish the Korean people new greater success in the revolution and construction and in the sacred cause of independent and peaceful reunification of the country.

The Chinese party and government consistently set store by the Sino-Korean friendship and will in the future, too, make all efforts to strengthen and develop this friendship, he stressed.

N-S Exchange Committee Chairman Gives Statement

SK2610034192 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 25 Oct 92

[Statement by Kim Chol-sik, chairman of the North-South Joint Social and Cultural Cooperation and Exchange Committee; place not given, on 25 October—read by announcer]

[Text] According to a report, the South Korean authorities recently agreed with the United States to resume the Team Spirit joint military exercise, a large-scale nuclear war test, in South Korea next year. They also agreed with the United States to not only revoke the second-phase plan for reducing U.S. forces stationed in South Korea, but also to deploy U.S. flexible deterrence option forces.

As has already been reported, the first meetings of the four joint committees in charge of the implementation of the annexed agreements of the agreement on reconciliation, nonaggression, and cooperation and exchange reached at the eighth North-South high-level talks are to be held in one week, beginning on 5 November.

If and when these joint committee meetings are smoothly held, a new bright perspective will be undoubtedly opened between the North and the South in the social and cultural field, including education, literature, arts, sports, publication, and press, along with all other fields. This is why, since the end of the eighth North-South high-level talks, our side has been accelerating preparations for the successful operation of the North-South Joint Social and Cultural Cooperation and Exchange Committee.

At this very moment South Korean authorities announced a plan to resume a large-scale nuclear war exercise to attack us, the other part of the dialogue, in collusion with outside forces, while backing down on their promise with fellow countrymen. All of the fellow countrymen, as well as the world's people, cannot repress a surging indignation over this.

With the South Korean authorities' perpetration of the sinister plot to resume the Team Spirit exercise, an antidialogue and antipeace exercise with the United States, the historic North-South agreement and annexed agreements—which were adopted and effectuated with much effort—have been turned into a scrap of paper; North-South relations are in danger of going back to the status of confrontation prior to the adoption of the agreements; and a grave obstacle has been created on the future road of the social and cultural cooperation and exchange between the North and South.

Whenever a large-scale war exercise was staged in South Korea in the past, a number of agreements concerning North-South exchange and visits, which had been agreed upon between the two sides and their implementation was around the corner, dissipated. This is vividly proven by the course of the North-South dialogue in the past.

In retrospect, the fact that the North-South full-dress Red Cross talks—which were held more than 10 times and in which the issues presented for discussion nearly reached an agreement—have been suspended thus far, that the work of exchanging the second Red Cross art troupes and home-visiting groups between the North and the South has been aborted, and that the North-South soccer games for reunification and the formation and participation in international sports events of North-South unified teams—which were held amid the cheers of the nation—ended as a one-time event is because the South Korean authorities staged the Team Spirit joint military exercise with the United States.

As a recent case, the work of exchanging old parents' home-visiting groups of separated families and art troupes—the date of which was been set for 25 August—also was aborted because the South Korean authorities staged a large-scale Focus Lens joint military exercise, in place of the already suspended Team Spirit-91 joint military exercise, at the same time in which the home-visiting groups were to be exchanged, while waging an anti-North commotion in connection with the nonexistent nuclear issue. This was also a widely known fact.

Because of the fact that one side has staged large-scale war exercises with outside forces against the other side, while disregarding the promise it made with fellow countrymen, our country has, in fact, been led to the brink of war. A sincere dialogue cannot be realized under these circumstances and, furthermore, members of the nation cannot make free visits under the blasts of gunfire. This is only too clear. The South Korean authorities themselves also know this very well.

Nevertheless, the South Korean authorities have announced they will resume the Team Spirit joint military exercise, which will break up at once the North-South dialogue at a time when the implementation of the North-South agreement has become a real problem, not a distant future problem, and when the North-South joint committees are a few days away from beginning their operations. This more clearly shows that they are neither interested in dialogue and cooperation nor in humanitarian exchanges.

At the same time, we cannot but say that, by deciding to resume the Team Spirit joint military exercise, the South Korean authorities have revealed to the entire nation and the world that they are a truly thoroughly flunkeyistic and traitorous group which is unconditionally following the orders of outside forces while disregarding national interests and the country's reunification.

We cannot but ask the South Korean authorities how long they are going to continue the traitorous act of easily selling national interests to outside forces by currying favor with and following them.

These are not the seventies or the eighties—during which the North and the South started dialogue. It is, however, the nineties in which all people of the world are moving forward the road of independence, keenly realizing that relaying on outside forces is the road to national ruin.

That the South Korean authorities are still clinging to outside forces even after they have signed the North-South agreement with us, the same nation, before all fellow countrymen only reveals that they are suffering from an incurable disease of national ruin. The South Korean authorities should know that the anachronistic delusion of trying to solve something by relying on outside forces brings about only their destruction.

I strongly urge the South Korean authorities to take a prudent act and to immediately withdraw their decision to resume the Team Spirit joint military exercise so that they can create an atmosphere in which the joint committees' meetings, which are around the corner, can be smoothly held.

Speaking of us, we will treasure the realization of cooperation and exchanges between the North and the South and will make our sincere efforts for peace and reunification of the country. However, we will never tolerate the act of making fun of the North-South dialogue and of trampling underfoot the North-South agreement.

If the South Korean authorities do not cancel their plan to resume the Team Spirit joint military exercise and persistently advance to the road of conducting the exercise despite the strong demands of all of the nation and our just warnings, they will be held totally responsible for all consequences arising therefrom.

Commentary Denounces South Premier's Letter

SK2510040992 Pyongyang Korean Central Broadcasting Network in Korean 0017 GMT 25 Oct 92

[NODONG SINMUN 25 October commentary: "Progress in North- South Relations Depends on the South Side's Attitude"]

[Text] Our side received the letter sent by South Korean Prime Minister Hyon Sung-chong, who is also senior delegate to the North- South high-level talks, through Panmunjom on 21 October in reply to the letter sent to him on 14 October by Premier of the State Administration Council Yon Hyong- muk, head of our side's delegation to the North-South high-level talks.

In the letter our premier called the South side to account for its attempt to block the progress of North-South dialogue and reverse the situation on the Korean peninsula, returning it to the era of confrontation, since the South Korean authorities fabricated and announced the anticommunist drama and strategy of the so-called Workers Party of Korea in South Korea case and have decided to resume the Team Spirit joint military exercise after holding the so- called annual Security Consultative Meeting with the United States and placing blame on us, the dialogue partner. Stating all of this in the letter, Premier Yon Hyong-muk strongly urged the South not to repeat such an antidialogue, antipeace, and antireunification act. This statement in the letter contains our patriotic and nation-loving position to rescue the North-South dialogue, which is again endangered, and accelerate peace and reunification of the country by implementing the North-South agreement as the fellow countrymen wish.

Nevertheless, the South prime minister's reply disappoints and enrages people. Instead of reflecting on and apologizing for the antidialogue, antipeace, and antireunification acts they committed, he absurdly criticized us and was bent on defending their traitorous treachery and avoiding responsibility. The South side's letter cannot be a reply to our side's letter; therefore, it is not at all worthwhile for us to respond in any other way.

The so-called reply sent by the South side displeases us very much because it does not contain the slightest bit of the spirit of national independence. As soon as they left the meeting where they promised reconciliation, detente, peace, and reunification with us through the historic agreement, the South side decided to resume the Team Spirit joint military exercise—a nuclear attack exercise for northward invasion—with their U.S. masters and to put the plan to reduce the U.S. Forces in South Korea on hold. This is clearly a flunkeyist traitorous act and an act of treachery toward us.

It is quite proper that in the letter we called the South side to account for this flunkeyist traitorous act and called upon it to restore the position of national independence. However, the South side, apparently perturbed at having their sore spot touched, was unable to speak a word of reflection and parroted the words about the suspicion of the North's nuclear development invented by the United States. The South side's letter shows how mean-spirited and ignoble the flunkeyist traitors who betrayed the nation are.

Not one single line in the South prime minister's letter indicates that the South values North-South dialogue, reconciliation, detente, peace, and reunification. This is proved by his explanation of the decision to resume the Team Spirit joint military exercise with the United States.

The South's prime minister even repeatedly and openly announced that the Team Spirit joint military exercise would be resumed against us in 1993, using the fiction of so-called suspicion of nuclear development as a pretext.

We must deal severely with this formal announcement made in the name of the South's prime minister, who is also senior delegate to the North-South high-level talks.

As we have said repeatedly, it is absurd for the South to insist upon resuming the Team Spirit joint military exercise, which it had stopped before the North-South agreement was signed, now that we have entered a stage of full-scale implementation of the agreement. It is also absurd that the South is using the pretext of the so- called suspicion of nuclear development to resume its nuclear war exercise, which it had promised to stop before the beginning of the International Atomic Energy Agency's inspection of our nuclear facilities, now that the smooth international nuclear inspections have proved that our nuclear policy is aimed only at peaceful construction.

We cannot help but regard the South prime minister's announcement to resume the Team Spirit joint military exercise as a deliberate act designed to break up North-South dialogue. Moreover, it is an announcement of overall confrontation against us. The South prime minister's letter shows that he lacks basic etiquette skills and morals as a partner in dialogue.

The South's prime minister has recently been appointed to head the election management cabinet under a so-called neutral sign. In his first letter to the North side since he became a partner in dialogue, he listed various cases of strategy that his predecessors fabricated and attempted in vain to shift the responsibility to us.

He makes us feel that there is no difference between him and his predecessors because he is also playing into the hands of the Agency for National Security Planning [NSP]. Moreover, he does not have the proper prestige, virtue, and career background to be prime minister.

In fact, the NSP may well have written the South prime minister's reply. The NSP in South Korea is a hotbed of espionage and schemes, and it does whatever it can to accomplish its insidious political purposes.

All the incidents listed in the prime minister's letter are fabrications that South Korea devised and staged itself, fabricated in a basement at Namsan with an aim to intensify North-South confrontation and to suppress the patriotic and democratic forces in South Korea.

The NSP admitted this. When it revealed the fabricated, so-called Workers Party of Korea in South Korea case, the NSP said it was true that it had announced spy ring cases when the political situation was unstable at home, thus raising the people's doubts.

In a speech at the National Assembly a few days ago, a South Korean opposition party representative said he does not understand why a spy ring case is announced whenever an election is held in South Korea and added that people can hardly dispel doubt about it. There should be a reason for this.

In the letter, the South side also criticized us on the issue of displaced families. This is also absurd. The issue of repatriating old man Yi In-mo and establishing a meeting place for the displaced families in Panmunjom was agreed upon between the premiers of the two sides at the eighth North-South high-level talks. However, this was not realized because the NSP intervened in it. The delegates' contact, which was held later to resolve this issue, was frustrated by the NSP's obstructive maneuvers. The South side's prime minister should have called the NSP, rather than us, to account for this. The South side's prime minister made various excuses for this, but it can never avoid assuming responsibility for the antinational crime of regarding fellow countrymen as an enemy and placing a grave obstacle to the cause of peace and reunification in collusion with foreign forces.

Seeing the South side's letter and the events taking place in South Korea, we cannot help but be doubtful about whether the South's authorities can be an independent dialogue partner whom we can trust. What will be the fate of North-South relations if the South side abandons without hesitation the pledge it made before the nation and the promise made to fellow countrymen, if when its U.S. masters do not like these pledges and promises and tell the South to abandon them or if the South does what they should not do when the United States tells it to do it, even when the North and South sit together and make excellent agreement documents? Does the South do it for the sake of dialogue?

Under the present circumstances in which the South Korean rulers place higher value on the collusion with foreign forces than on the promise they made to fellow countrymen and attach greater importance to the interests of foreign forces than to national interest, progress in reconciliation, unity, peace, and reunification cannot be expected even if we sit together with them a thousand times and make good agreements a hundred times.

Now our fellow countrymen in the North, South, and overseas consistently look forward to implementing the historic documents of agreement and practically opening a new phase for reconciliation, detente, peace, and reunification. The South side should stop depending on foreign forces and restore the position of national independence, as the people at home and abroad consistently demand, frankly admit their antidialogue, antipeace, and flunkeyist traitorous act, and cancel the unjust decision, so that they can really improve North-South relations. If the South side does not listen to our just demand and continues following the road of confrontation and aggravation of tension in collusion with foreign forces, they will be held totally responsible for all the consequences arising therefrom.

Now the progress in North-South relations and the implementation of the documents of North-South agreement entirely depend on the South side's attitude henceforth.

South Korea

Clinton Presidency May Rekindle Trade Frictions

SK2010021292 Seoul YONHAP in English 0058 GMT 20 Oct 92

[Text] Washington, Oct. 19 (YONHAP)—South Korea needs to be ready for possible rekindling of trade friction and troop reduction talks with the United States when Democrats take over the administration, South Korean Ambassador to Washington Hyon Hong-chu said Monday.

"The United States' economic priority heightens chances of fanning trade protectionism and we need to hurry with measures to secure the American market," Hyon told visiting National Assembly inspection team here.

There are no basic differences between Democrats and Republicans in their view toward issues concerning the Korean peninsula, but economic and trade relations will be considerably affected if Clinton takes over the White House, the ambassador predicted.

The Bush administration frequently vetoed bills from the congress, but if Democrats have both the administration and the Congress, veto would be hard to exercise, said Hyon.

Rep. Pak Sil criticized the Seoul government of pro-Republican perspectives and urged the government to be ready for Clinton's victory.

He tried to connect the U.S. Democrats' lead in the presidential race to the Democratic Party (DP) of South Korea, and asked whether the United States requested materials on the DP.

When told not yet, Pak made a wishful demand that the embassy should be ready with such materials.

Seoul To Sign Semiconductor Pact With U.S.

SK2410034392 Seoul THE KOREA TIMES in English 24 Oct 92 p 21

[Text] The government is working out a wide range of steps to minimize damage to exports of semiconductors to the United States following unusually high dumping margins set out against DRAM (dynamic random access memory) chips marketed by three major domestic electronics makers by the U.S. Commerce Department in a preliminary ruling Wednesday.

In particular, it plans to sign a semiconductor agreement with the United States, a compromise for both governments, before taking action on the dumping margins.

Samsung Electronics drew the highest dumping margin of 87.4 percent, Goldstar Electron 52.41 percent and Hyundai Electronics 5.99 percent.

The U.S. Commerce Department has been investigating alleged dumping practices by the three Korean companies since April when Micron Technology of the United States lodged a petition against them.

Immediately after the department set out the dumping margins against Samsung, Goldstar and Hyundai, Trade-Industry Minister Han Pong-su held an emergency meeting with their presidents at his office to discuss ways to minimize the impact of U.S. restrictions on imports of Korean-made semiconductors.

The participants are Kim Kwang-ho of Samsung, Mun Chong-hwan of Goldstar and Kim Chu-yong of Hyundai.

During the meeting, Han told them that the government will negotiate with the United States to sign an agreement for the suspension of its investigation of dumping by their companies.

In exchange for the agreement, he said the government will assure the United States that the three Korean companies will voluntarily adjust their export volumes to the U.S. and export unit prices reasonably. Early this year, Korea signed such an agreement with the 12-member European Community.

He also said that his ministry will dispatch a delegation led by an assistant minister to the United States at an appropriate time to tackle the issues.

In the meantime, the company leaders said that the dumping margins set by the U.S. Commerce Department were unusually high and beyond general expectations.

They agreed to send accurate data on the marketing of their DRAM chips in the United States to the department which will conduct a new probe into the case in November.

They also said that they will continue to export DRAM computer chips to the United States regardless of their heavy financial burden arising from the preliminary duping rates.

The three makers are obliged to deposit cash or bonds equivalent to their dumping rates to the U.S. customs office for exports to the United States before the Commerce Department makes it final ruling on the case in March next year.

U.S., ROK Discuss Intellectual Property Rights

SK2410044692 Seoul YONHAP in English 0254 GMT 24 Oct 92

[Text] Seoul, Oct. 24 (YONHAP)—South Korea promised the United States Saturday to crack down on audio and video cassette and computer disc piracy while protesting the recent anti-dumping charges against South Korean steel and dynamic random access memory chips or D-RAMs.

U.S. officials hit hard against "rampant" piracy of computer software and audio and video cassettes in the three-day bilateral trade sub-group meeting that spent most of the time discussing intellectual property rights protection.

South Korea promised legal revisions on intellectual property rights and to recognize the idea of "leasing" the rights as done by some 20 countries including Japan and france.

It is to set up investigation teams on illegal copying of video games, music tapes, compact disks and computer programs, Seoul officials said.

Seoul protested against anti-dumping charges on South Korean steel and semiconductors, saying it will take joint action with other countries through the General Agreement on Tariffs and Trade (GATT).

It also protested against recent moves in Washington to level up taxes on foreign branch offices and showed concern that the North American Free Trade Agreement (NAFTA) may fan other regional economic blocs.

The United States said it would send revenue experts to Seoul next month to explain the tax changes on foreign branch offices. It stressed that NAFTA will not affect South Korea since U.S. average customs tariffs is already a comparatively low 3.8 percent.

U.S. officials asked that South Korea extend deferred payment period which would considerably increase Seoul's import from the United States.

They suggested that Seoul extend the period from the current 60 to 90 days to at least 180 days.

Officials here said they responded negatively to the request.

Seoul, in turn, complained about U.S. discrimination against foreign construction companies by demanding 100-percent surety bonds on its projects.

South Korean construction companies who do not have contract records with the United States are turned away from insurance firms for the surety bonds and thus barred from U.S. contract bidding, officials here said.

No's Japan Visit Begins 'Shuttle Diplomacy'

SK2310114892 Seoul YONHAP in English 1117 GMT 23 Oct 92

[Text] Seoul, Oct. 23 (YONHAP)—President No Tae-u's Japan visit next month is to begin a new pattern of "shuttle diplomacy" to discuss instantly arising regional issues, Foreign Minister Yi Sang-ok explained Friday.

Countering lawmakers' argument at the National Assembly inspection that the visit is neither necessary nor timely, Yi said No and Japanese Prime Minister Kiichi Miyazawa agreed that such informal contact through shuttle diplomacy is ideal to assess quickly changing international political situations.

"Japan requested that No visit Japan sometime in November, and the two countries will make an official announcement around next weekend," Yi told the lawmakers.

The visiting date would be sometime early in November, he said.

When criticisms poured that the visit is "senseless politics," Yi insisted the visit should be "understood from international diplomatic perspective rather than just domestic outlook."

"Whoever becomes the next president would need time to arrange a formal visit to Japan. It is better for President No to set the new trend of shuttle diplomacy now," he said.

Questioned on the legitimacy of funneling the unpaid portion of South Korea's Gulf war contribution to U.S. forces maintenance cost, Yi denied allegations that such change was against domestic budget laws.

Of the 500 million U.S. dollars of promised contribution to the multinational coalition during the Gulf war, 350 million dollars was for the United States, Yi explained.

Some 139 million dollars were still unpaid at the end of last year, and the amount was funneled into U.S. forces maintenance costs, he said.

"The ministry received approval from the Economic Planning Board. The expenditure was still under the same category approved by the National Assembly. It was not against the budget law to use what was to be given to the United States on sharing U.S. troop upkeeping costs," Yi claimed.

"Understand the decision from the point of strengthening South Korea-U.S. security relations," he said.

Asked about the new South Korean embassy to be built in China, Yi said Seoul requested 20,000 sq. meters of land on the outskirts of Beijing.

Beijing said it is willing to give about 15,000 sq. meters, he said.

"We asked for 20,000 sq. meters because we are considering opening a Korean school in the vicinity of the embassy," said Yi.

On allowing hoisting of Taiwanese flag on special occasions or at international events, Yi said the international rules do not allow it for countries with which the host nation does not have diplomatic relations.

"It is possible indoor, but not at outdoor," he said.

President Sends Pre-Summit Message to Miyazawa

SK2610103892 Seoul SEOUL SINMUN in Korean 26 Oct 92 p 1

[Text] With President No Tae-u's 8 November visit to Japan approaching, Yi Pyong-ki, presidential senior protocol secretary, secretly visited Japan on 23 October with a message to Japanese Prime Minister Kiichi Miyazawa. This is drawing extraordinary attention of political circles in connection with the purpose of President No's visit to Japan.

Although the contents of the message have not been revealed, it is drawing attention because it is suspected to have a direct bearing on the purpose of President No's visit to Japan.

During his visit to Japan, Senior Secretary Yi had extensive contacts with high-ranking officials of the Japanese foreign ministry, discussing the preparations for the summit talks of the two countries and the contents of the talks, but it has not been confirmed whether he met Prime Minister Miyazawa.

Senior Secretary Yi is a key aide to President No, and it is quite unusual for him to visit the country before President No's visit. Our government has been stating in connection with President No's visit to Japan that he will visit Japan to shore up and restore the recently deteriorated relations, rather than to discuss pending issues, between the two countries.

However, a high-ranking government official stated on 25 October, "The specific purpose of President No's visit will be revealed naturally in time," thus hinting that he has some special important purpose.

President No is expected to hold summit talks and a luncheon with Prime Minister Miyazawa in Kyoto Japan on 8 November. Then he will attend a reception for the Korean residents there and return home.

According to a report, Senior Secretary Yi, in meeting with the Japanese Foreign Ministry officials, was briefed on the Japanese position on the 8th Japan-North Korea negotiations for normalization of relations to be held 5-6 November in Beijing.

It has been revealed that during the meeting between Senior Secretary Yi and the Japanese Foreign Ministry officials, the Japanese side requested ROK's mediating role for the improvement of relations between Japan and Russia in connection with Russian President Yeltsin's visit to the ROK and that Senior Secretary Yi passed on the ROK position on this matter to the Japanese side.

Senior Secretary Yi returned home on 25 October.

A high-ranking Japanese Foreign Ministry official on 25 October disclosed how the upcoming ROK-Japanese summit talks were agreed on, saying: "The leaders of the two countries agreed to hold the summit talks when the ROK side inquired about the possibility of realizing the meeting of the two leaders as President No reminded Prime Minister Miyazawa that the former told the latter during the latter's visit to ROK last January, "I would like to have a candid exchange of views of international situation playing golf with you in Cheju Island."

Lawmakers Question Foreign Ministry on No's Trip

SK2410020692 Seoul YONHAP in English 0130 GMT 23 Oct 92

[Text] Seoul, Oct. 23 (YONHAP)—Lawmakers demanded reasonable explanation Friday for President No Tae-u's visit to Japan next month, asking whether the Foreign Ministry was again ignored by the presidential office in the decision-making process.

Minority Democratic Party Rep. Pak Sil reminded the ministry report that the president spent some 45.2 billion won for his 10 overseas trips.

"The Japan visit was pursued not through regular diplomatic channels but secretly by the presidential office, and the announcement was made by the presidential office," Pak said in the National Assembly inspection of the ministry.

"When was the Foreign Ministry notified of the summit, and what was the ministry's role?" He asked.

The summit is scheduled just before Russian President Boris Yeltsin's visit to Seoul, and No's trip to Japan was reportedly requested by the Tokyo side to use South Korea as a "diplomatic card" to show off closeness between South Korea and Japan to Yeltsin, he claimed.

"What are the ministry's countermeasures against Japan's such intentions," Pak said.

Rep. Chong Tae-chol of the same party insisted that working-level negotiations are more appropriate than a summit in solving immediate bilateral issues such as Korea's huge trade deficit with Japan and Japan's abuse of Korean women as sex comforts for its soldiers during World War II.

"Do you believe that the president himself has to go all the way out of the country to discuss political situations?" Chong asked.

Also pointing to Japan's intention to use President No's visit as a message to Russia, the lawmaker asked whether the Foreign Ministry thought through about the effect of the Seoul-Tokyo summit on South Korea-Russia relations.

Assembly Discusses Diplomacy, National Security

SK2610043392 Seoul YONHAP in English 0241 GMT 26 Oct 92

[Text] Seoul, Oct. 26 (YONHAP)—Lawmakers concentrated on President No Tae-u's Japan visit next month, South Korea's relations with China and Taiwan and unification policy coordination at the opening day of the National Assembly interpellation Monday.

The first day session, dealing with political, unification, diplomacy and national security issues, asked questions on military's political neutrality in the upcoming presidential election, postponement of local elections, and the recent arrest of North Korean espionage ring.

In the unification and diplomacy sector, Rep. Cho Sun-hwan of the Unification National Party [officially renamed United People's Party] demanded to know President No Tae-u's true intentions in visiting Japan despite undying public criticism.

There are rumors that No will contact North Korean leaders while in Japan, he said.

How does the government plan to straighten the imbalance in unification policymaking where the Agency for National Security Planning has more power than the National Unification Board, and how about the fact that the presidential office is meddling heavily in diplomatic affairs in disregard of the Foreign Ministry, Cho asked.

Seoul's severance of ties with Taipei shows South Korea is still practicing rules from the Cold War era, he said, asking whether the government proposed an alternative more appropriate for the new era about Taiwan when normalizing ties with China.

Rep. Yi Se-ki of the Democratic Liberal Party questioned whether the president must go to Japan now when Seoul-Tokyo relations are at a worst phase.

Is the government aware that Japanese politicians give money when they meet with North Korean leader Kim Il-song, Yi asked.

How did the government clear the unfortunate past with the Soviet Union and China about their involvement in the Korean war in the course of diplomatic normalization, and does Seoul plan to give the remaining 1.5 billion U.S. dollar assistance to Moscow when Russian President Boris Yeltsin comes to South Korea, he asked.

Yi suggested that the government establish a separate office to systematically support more than 7 million Korean residents abroad.

Rep. Son Se-il of the Democratic Party blamed the government for unfair diplomacy. China recognized both South and North Korea by setting official ties with both sides, but Seoul severed relations with Taipei when it normalized ties with Beijing, he pointed out.

Russia and China should annul or revise their treaties with North Korea now that they recognize both Seoul and Pyongyang, he said.

Son asked for more diplomatic emphasis to developing countries through sudpolitic in terms of resource development and manufacturing investment. Isn't there a chance that the unused portion of economic aid to Russia can be used for the developing countries, he said.

Rep. No Sung-u questioned the government's passive countermeasures to revival of Japanese militarism.

How does the government plan to counter the U.S. strategy of supporting Japanese militarism, he asked.

South Korea cut off ties with Taiwan at China's request, but did Seoul demand anything to China about North Korea during diplomatic normalization talks, he asked.

Boris Yeltsin's Visit 'Likely To Be Delayed'

SK2610052192 Seoul KYONGHYANG SINMUN in Korean 26 Oct 92 p 1

[Text] It was learned on 26 October that Russian President Boris Yeltsin's planned visit to Korea in mid-November is likely to be delayed again, following the September postponement, because of the complicated situation in Russia, including the growing conflict between conservatives and reformists.

A high-ranking diplomatic source said: Accordingly, the government has already urged the ROK Embassy in Russia to analyze the situation in Russia that can affect President Yeltsin's scheduled visit to Korea and to report about it. In addition, it continues to carefully watch over the trends of changes taking place in Russia.

The source said: The Russian People's Deputy Council, which is dominated by the conservatives, has called for the delay of its representative meeting, but the Supreme Council has refused this. Therefore, Boris Yeltsin is in a position to either confront the conservatives or compromise with them. Because of this, Boris Yeltsin's schedule to visit Korea becomes uncertain again.

A relevant diplomatic official, however, said: I think we should watch over changes in the situation in Russia, but we are preparing in the event his visit to Korea takes place as scheduled.

No Tae-u Responds to Yeltsin Letter on KAL

SK2410054392 Seoul YONHAP in English 0519 GMT 24 Oct 92

[Text] Seoul, Oct. 24 (YONHAP)—Korean President No Tae-u urged Russian President Boris Yeltsin to make further efforts to get to the truth of the shooting down of a Korean Air Lines [KAL] plane by a Soviet fighter aircraft over Sakhalin on Sept. 1, 1983.

No made the appeal in a letter to Yeltsin in response to his letter that came with Russian data and documents on the incident last week.

No said in his letter that Yeltsin's measure to turn over the documents to South Korea would help build mutual trust and promote bilateral relations. But it was reported earlier that Korean officials were not satisfied with the Russian documents.

Choe Kak-kyu's Trip to North Canceled

SK2510025092 Seoul YONHAP in English 0239 GMT 25 Oct 92

[Text] Seoul, Oct. 25 (OANA-YONHAP)—South Korea will not send Deputy Prime Minister Choe Kak-kyu to North Korea this year but will be more lenient on private delegations' visit to Pyongyang, officials said Sunday.

Choe's North Korean trip, initially set for last Oct. 14-18, is canceled for the year, they said. The deputy prime minister, also the economic planning minister, was to go to North Korea to tap on inter-Korean economic cooperation.

Choe's North Korean counterpart Kim Tal-hyon was in Seoul last July and expressed hopes for joint construction of light industrial complex in Nampo, North Korea.

"North Korea not only refuses to admit and apologize for its spy ring discovered in South Korea but insists that the entire case was fabricated by Seoul. It is impossible for Choe to go to North Korea under the situation," the official said.

South Korean security officials arrested 62 people on expionage charges earlier this month.

"But for private delegations including businessmen, we will be flexible in allowing their visits while watching progress in inter-Korean commissions' talks starting Nov. 5," said the official.

The government held back privately-arranged North Korean visits after the spy ring arrest.

"But there is no change in the government position that actual economic projects will not be approved without a solution to the nuclear problem," he said.

Sides Swap Lists of Reconciliation Panel Members

SK2610103492 Seoul YONHAP in English 0958 GMT 26 Oct 92

[Text] Seoul, Oct. 26 (YONHAP)—South and North Korea exchanged Monday telephone messages containing lists of delegates to the the first meeting of the inter-Korean joint commission on reconciliation scheduled for Nov. 5.

Song Han-ho, secretary-general of the Advisory Council on Democratic and Peaceful Unification, has been designated to head the Southern side, while Chon Kum-chol, vice chairman of the Committee for the Peaceful Reunification of Fatherland, named to lead the northern side.

A South Korean Government official told that Son, a minister-level official, was named to head the Seoul side in accordance with a North Korean proposal to represent each side by a minister-level member to the meeting. The commission is represented by seven members on each side. In the meantime, the Seoul side notified the North of the list of 10 new alternate delegates to the joint commissions on economic exchange and cooperation and social and cultural exchanges and cooperation, including Kim Tae-yon, assistant economic planning minister, as vice chairman of the economic exchange and cooperation commission.

Paper Analyzes North-South Economic Cooperation

SK2110122592 Seoul HANGYORE SINMUN in Korean 15 Oct 92 p 7

[Article by reporter Sin Hyon-man]

[Text] No one can predict when and how the thread of North-South economic cooperation—which has been tangled in the wake of the rupture of negotiations for old man Yi In-mo's repatriation and the Agency for National Security Planning's announcement of investigation results on the "South Korean Workers Party of Korea incident"—will be unraveled.

Due to keen interest at home and abroad, the government has been agonizing over announcing the results and follow-up steps to the ROK survey team's inspection of North Korea's Nampo Industrial Complex ever since its return on 9 October.

After many complications, the Nampo survey team passed through Panmunjom eight months later than the date agreed upon by South Korea's Daewoo Group and North Korea's Samcholli General Company. The Nampo survey team was not a civilian survey team as originally agreed upon, but a joint civilian-government survey team which included three concerned government officials.

The Nampo Industrial Complex project has come to symbolize North-South relations and interest in the project is out of proportion to its actual size.

Furthermore, because government officials were included in the Nampo survey team, the government has to reveal the results of the visit in one way or another.

Unless the government plans to 'break up' North-South relations, the Nampo industrial complex project should be promoted at all costs—especially since the joint committees for North-South reconciliation, military, economic exchange and cooperation, and social and cultural exchange are each scheduled to hold meetings every other week from 5 November. Nevertheless, there are some hardliners within the government who argue: What use is there in dispatching a Nampo survey team to North Korea and carrying out North-South economic cooperation at a time when North Korea, on the one hand, conducts North-South talks, and on the other, attempts to overthrow our government? As a result of the atmosphere created by hardliners, the government is having a difficult time making a decision.

As a result, the government has been unable—even though almost a week has passed—to decide on whether it should even announce the results of the Nampo visit. This atmosphere is also affecting overall North-South economic cooperation.

In a telephone message on 13 October, the government informed North Korea that it "cannot but postpone Deputy Prime Minister and Economic Planning Board Minister Choe Kak-kyu's 14 October visit to Pyongyang."

After briefing Han Kap-su, vice minister of the Economic Planning Board [EPB], on the outcome of his visit to the North, Kim Ok-nyon, president of the secretariat of Daewoo Group and chief of the Nampo survey team, said: "We will submit applications for government approval of projects." To which the EPB vice minister replied: "In our present situation, even if you were to submit applications, approval would be difficult, and as we will only lose face, please withhold your application." As a result, Daewoo Group is shelving the application.

The government has also revealed that it is difficult to allow a Miwon Group delegation to visit North Korea from 20-27 October for discussions on a joint-venture to produce seasonings. Likewise, the government explains that it can not accept Kohap Group's application for setting up business with North Korea to send an investment survey delegation.

Nevertheless, the cold mood surrounding North-South economic cooperation will not continue indefinitely. The cold-war-based world order has disintegrated, and with the advent of economy to the center stage of international diplomacy, the means to relations between the North and the South have boiled down to that of economic exchange.

The government is also well aware of this situation. More than anyone else, the government realizes that North and South Korea need each other economically.

A government authority said: "We should in no way disrupt inter-Korean relations. The high-level talks should be and will be maintained because it is a very important tool in bringing about the united state the government plans as a precondition to reunification."

He also said that "although North-South relations have cooled down, they have not reached a state of complete suspension." He stressed that "accordingly, the complete suspension of North-South economic cooperation is inconceivable."

Another government official said: The present cool atmosphere surrounding North-South economic cooperation will be eliminated by the North-South joint committee's meeting in early November. The joint committee meeting will smoothly proceed even though a hot argument is anticipated in its early stage over the issue of old man Yi In-mo's repatriation and the North Korean spy incident, given the fact that both sides do not want tense relations with one another.

This official also said that "even though the government is considering the resumption of the Team Spirit joint military exercise and North Korea is strongly condemning it, no serious developments will be created by this issue."

Unlike those government ministries which have assumed a hard-line stance such as the Agency for National Security Planning, economic ministries seem to be very optimistic about North-South relations.

A government official revealed that "when our Nampo survey team stayed in North Korea, the North Korean side showed unexpected sincerity toward our survey team by handing over to our team a map of the Nampo area, analysis data on the underground water in the area, environmental data on the Nampo industrial complex area, and other related data." He noted a remarkable change in North Korea's attitude toward North-South economic cooperation.

There is, however, also a pessimistic view toward North-South economic cooperation, given the fact that the Agency for National Security Planning will announce its follow-up investigation report on the spy incident and that, consequently, the voices of the hard-line group in the government will become stronger.

When and how can the "stone," which is blocking the stream of North-South economic cooperation, be removed? We cannot but pay attention to the future atmosphere surrounding North and South Korean relations.

Daewoo Chairman Denies Candidacy

SK2410031692 Seoul YONHAP in English 0120 GMT 24 Oct 92

[Text] Seoul, Oct. 24 (YONHAP)—Kim U-chung, chairman of the Daewoo Business Group, denied a local report Saturday that he had been asked by the New Korea Party to run in the upcoming presidential election on the party ticket.

A Daewoo executive close to Kim told reporters that he had asked the chairman now staying in Pusan over the phone if the press report was true. But, the answer was: "I have never received such an offer from the New Korea Party," the official said.

The CHOSUN ILBO reported Saturday morning that the New Korea Party, inaugurated Friday, plans to recruit Kim as its presidential candidate and also as party representative, and Kim had virtually accepted it.

The executive said that the press report, therefore, "seems at the moment a little different from the truth," adding that details about the matter would be disclosed upon Chairman Kim's return to Seoul from Pusan in the afternoon.

He said, however, that he could not find out the chairman's intent of whether he would run in the presidential election regardless of an offer from the New Korea Party.

Official Views GATT Rice Market Issue

SK2010025692 Seoul THE KOREA ECONOMIC WEEKLY in English 19 Oct 92 p 24

["Korean Rice and the Uruguay Round Agricultural Negotiations: The NACF's [National Agricultural Cooperative Federation] View" by So Pyong-chun, deputy director-general of the International Cooperation Department of the NACF]

[Text] As far as rice is concerned, most farmers in Korea are deeply involved in rice farming in terms of their socio-economic situation. Rice is the staple food of Koreans as well as the main source of farm households' income.

Korean rice consumption is highest in the world, with annual per capita consumption of about 115kg. The income from rice farming reaches around 50 percent out of the total agricultural income of a farm household. These figures are greatly different from those of other countries, particularly developed countries, where most farmers are engaged in upland farming or grassland agriculture.

Rice farming in my country has been favorable to most farmers because of repeated cultivation of the same paddy fields, gradual increases in yields per hectare, and higher income than from other crops. They have preserved the rural environment as well as enjoyed their culture based on rice farming. It can be said that the cultivation of rice has greatly contributed to improving the economy of farm households and to stabilizing the food supply.

To achieve self-sufficiency in this major food grain, rice production has been encouraged by the government through such policy measures as the improvement of the agricultural infrastructure, the introduction of new varieties, the mechanization of farming, and the rice purchasing program. Our people are proud of their self-sufficiency in rice and the consumption of good-quality rice produced by their farmers.

Actually, rice cultivation in Korea has contributed not only to improving the economic life of farm household, but also to ensuring non-trade concerns such as the conservation of the land, the preservation of the environment and traditional culture, jobs in rural areas, balanced regional development, and the decentralization of the population.

It is widely known that the main purpose of the Uruguay Round agricultural negotiations is the promotion of the interests of all the participants by removing trade barriers. I think, however, the principle of agricultural negotiations, which is based on tariffication for all agricultural products, was initiated by major developed countries exporting their agricultural commodities. Exporting countries must consider that agriculture in some developing countries, including Korea, is not only characterized as small-scale farming for farmers' subsistence, but is underdeveloped in the agricultural structure.

Since Korea belongs to the monsoon climactic zone, the rain is heavy in the summer when the rice is growing in any area of the country. Rice farming, therefore, has been enhancing external economic effects through the preventation of landslides and washouts in the heavy rain season.

It can be clear that rice farming in the monsoon zone is an unavoidable circumstance from both a meteorological point of view and an ecological one. Thus, most Koreans think that rice should not be subject to tariffication, minimum markets access or reduction of domestic support in view of the significant socioeconomic role of rice and of the long history of traditional culture.

With the growing pressure to open the rice market in line with world trade liberalization and Uruguay Round agricultural negotiations, all the farmers in Korea feel uneasy. The opening of the rice market could mean to them that agriculture will disappear and that farmers will be not able to survive.

When Arthur Dunkel, Director General of GATT, visited Seoul in September this year, Han Ho-son, the President of National Agricultural Cooperative Federation (NACF), asserted that the opening of the rice market should be excluded from the GATT agricultural negotiations.

The opposition to the opening of the rice market, as maintained by the president of the NACF, is the consensus of all our people including farmers. Our farmers will not open, at the risk of their lives, the market for rice on which their survival rests.

Most of the people have already expressed their opposition through the participation in a nationwide signature campaign conducted by the NACF, the Korean farmers' national organization, for the purpose of rejecting rice imports. In this campaign last year, around 13 million persons participated during the short period of 40 days. Even with the United States and the EC inching toward an agreement over farm subsidies for the Uruguay Round, the tariffication of rice should be excepted from the agricultural negotiations.

There are no rules with exceptions; thus, the principle of the Uruguay Round agricultural negotiation should also be accepted under the conditions of special exceptions to protect small-scale farmers who depend upon their subsistence farming in most Asian countries, including Korea.

Exports Hit by Foreign Import Restrictions

SK2410052592 Seoul YONHAP in English 0432 GMT 24 Oct 92

[Text] Seoul, Oct. 24 (YONHAP)—Import restrictions by advanced nations other than the United States and Japan dealt a serious blow to South Korean exports this year, the Korea Foreign Trade Association (KFTA) said Saturday.

Advanced countries imposed import restrictions against Korean products in 69 cases as of the end of August this year by bringing anti-dumping charges or imposing the quota system.

Korea's overall exports of such items dropped 8.36 percent to 4.54 billion U.S. dollars in the January-August period from 4.95 billion dollars in the same period last year.

The European Community (EC), Canada and Australia have inflicted the most serious damage to Korean exports.

Exports of 15 items that encountered the EC's concerted import restrictions dropped 22.1 percent to 1.61 billion dollars during the first eight months this year from a year earlier.

Shipment of seven kinds of commodities which came under import restrictions by each EC member country also declined 21.1 percent to 75.77 million dollars.

Exports of seven products such as textiles under Canadian restrictions fell 11.4 percent to 198.28 million dollars and those of 13 commodities under Australian regulations slid 14.2 percent to 56.41 million dollars.

Shipments of four items under import curbs of non-EC member European countries including Austria amounted to 47.12 million dollars in January-August this year, down 8.3 percent from the previous year.

But exports of 13 commodities under the U.S. import restrictions rose 5.3 percent to 1.97 billion dollars in the period and those of nine products facing Japan's import checks rose five percent to 579.11 million dollars.

Korea could not export any one of 10 products including plastic bags, steel pipes for oil well and nitrocellulose to those advanced countries due to their strict import controls this year.

Burma

Bangladesh Officials Visit Repatriated Families

BK2510150092 Rangoon Radio Burma in Burmese 1330 GMT 25 Oct 92

[Text] In accordance with the agreement reached between the Union of Myanmar [Burma] and Bangladesh on the repatriation of those who illegally left Burma for Bangladesh, Burma has already opened five reception centers and has been accepting them ever since.

In accordance with the proposal by Mr. (Ziaudin Ahmed), official in charge of (Gaung Daung) camp, and party to meet and hold discussions with those who have returned to Burma from Bangladesh on 12 October, responsible personnel from our side have accepted their proposal so that they will be able to see and inquire about the true situation.

Thus, Mr. (Ziaudin Ahmed), official in charge of (Gaung Daung) camp, and other alternate officials, and Mr. M. A. Islam and members from Bangladesh Television, BTV, arrived at Maungdaw Jetty on the Burmese side on the evening of 20 October. They were welcomed by responsible personnel from Burma.

The group led by Mr. (Ziaudin Ahmed), arrived in Maung Nyi Village, Maungdaw Township, at 1720. At the village, members from BTV took pictures while Mr. M. A. Islam held talks and for about 15 minutes inquired into the living conditions of the head of a family and farmer, Mr. (Mohamed Batal), his wife Daw (Mila Kubu), and his son (Bamouk Shofi) and another head of a family, also a farmer, Mr. (Basid Una), his wife (Bi BI Jan), and his son Mohamed Unamul), who returned from Bangladesh to Burma on 12 October.

Next, responsible personnel from BTV took pictures of the inside and the outside of the dwellings. Mr. (Ziaudin Ahmed) and the group returned to Bangladesh from Maungdaw jetty at 1800 in the evening and were sent off at the jetty by responsible Burmese officials.

'Factional Dispute' Within Military Analyzed

BK2310140392 (Clandestine) Democratic Voice of Burma in Burmese 1430 GMT 22 Oct 92

[Unattributed commentary]

[Text] Dear listeners, on 24 September 1992 the SLORC [State Law and Order Restoration Council] clique expanded its government, which included a majority of senior regional commanders. This is the second time the military government has reorganized its Cabinet in a single year. During the first reorganization, Commander of the Southwest Military Command Major General Myint Aung, Commander of the Yangon [Rangoon] Military Command Maj. Gen. Myo Nyunt, and Commander of the Western Military Command Maj. Gen. Mya Thinn became Cabinet ministers in the government of the military clique. Then, during the second reorganization, well known regional commanders—Maj. Gen. Tun Kyi of the Central Military Command, Maj. Gen. Kyaw Ba of the Northern Military Command, Maj. Gen. Maung Thint of the Northeast Military Command, Maj. Gen. Kyaw Min of the Northwest Military Command, and Maj. Gen. Aye Thaung of the Southern Military Command—were made ministers in the military clique's government.

In reorganizing the Cabinet for the second time with the inclusion of a majority of commanders, the military regime also created two new ministries. The first new ministry is the Ministry of Hotels and Tourism and the second new ministry is the Ministry for the Development of Border Areas and National Races.

Meanwhile, in the second reorganization of the expanded Cabinet, the two senior military officials who were included as Cabinet ministers in the military government were Rear Admiral Than Nyunt, commander in chief of the Navy, and Maj. Gen. Thein Win, commander in chief of the Air Force. Minister Vice Admiral Maung Maung Khin and Minister Lieutenant General Tin Tun, who although holding the ranks of vice admiral and lieutenant general are without military portfolios, were made deputy prime ministers. There are other ministers who are also lieutenant generals but never became deputy prime ministers. They are Lt. Gen. Aung Ye Kyaw, who was in charge of many ministries before but who has been given the token, insignificant Ministry of Culture now; Home Affairs Minister Lt. Gen. Phone Myint, who is in poor health; Forestry Minister Lt. Gen. Chit Swe; and Industry-1 Minister Lt. Gen. Sein Aung.

If we analyze the reorganization of the military regime's expanded Cabinet without any prejudice, we will find out two things. The first is the factional dispute within the military while the second is the SLORC military clique's political aim.

The Defense Services have adopted (?a new) policy, and that is for the Defense Services to be ever-youthful. There is proof that in accordance with this principle, the commanders and groups, who are not wanted in the Defense Services and in the war office, were purged by being transferred to the civil services. Some commanders who are attached to their military commands preferred to stay there. But, when the policy mentioned above was used against them they were unable to resist but had to comply and leave their commands. At the present time, Burma is faced with a fragile political and military situation. That is why the regional and divisional commanders want to cling to their regional commands and divisions as much as they can. If there is a military unit under your command, it could defend you as well as help you accomplish your objective when the time comes.

If Maj. Gen. Tun Kyi and Maj. Gen. Kyaw Ba wanted to relinquish their military commanders' posts and become members of the Cabinet, they could become ministers together and at the same time with Maj. Gen. Myint

Aung and Maj. Gen. Myo Nyunt at the first reorganization of the military government. The more prominent military commanders Maj. Gen. Myint Aung and Maj. Gen. Myo Nyunt were placed in the government with both military and Cabinet posts—Maj. Gen. Myint Aung as adjutant general and agriculture minister, Maj. Gen. Myo Nyunt as Yangon Military Command commander and religious affairs minister. This is proof that they were brought into the allegiance by being given dual positions.

The matter of including the Navy and Air Force commanders in chief and a majority of regional commanders in the government is mostly based on Maj. Gen. Tun Kyi and Maj. Gen. Kyaw Ba. The political stance of Maj. Gen. Tun Kyi and Maj. Gen. Kyaw Ba differs from that of Maj. Gen. Khin Nyunt. Furthermore, when tradition and personal preferences are combined, their relations became bumpy. Maj. Gen. Tun Kyi, who is a graduate of the first class of the DSA [Defense Services Academy], stayed aloof in the earlier parts of the 1988 disturbances. He is fully confident that he is better than Maj. Gen. Khin Nyunt in the way that he has fought as a soldier and has abided by military discipline. Maj. Gen. Kyaw Ba is more clear-cut where politics is concerned. He once said that he is a soldier, has fought battles, has abided by military discipline, and has accepted the fact that politics is not his job and does not concern him. He also remarked once that if the military needs political power, it should take it altogether, otherwise it should return it, and he said he does not understand the meaning of the word temporary.

Although Maj. Gen. Khin Nyunt went several times to other military regions, he is (?reluctant) to go to Maj. Gen. Tun Kyi's Mandalay and Maj. Gen. Kyaw Ba's Myitkyina regions. There was an instance when Maj. Gen. Khin Nyunt actually arrived in Myitkyina and noticed the absence of a welcoming ceremony and the presentation of bouquets. Maj. Gen. Kyaw Ba then said to him: My friend, the public is not satisfied with us so that is the reason I do not accept any welcoming ceremony and did not prepare any welcoming ceremony for you either. Using Maj. Gen. Tun Kyi and Maj. Gen. Kyaw Ba, who do not want to become Cabinet ministers, as a cause and with the policy of an ever-youthful Defense Services, almost all military regional commanders were included in the expanded Cabinet.

At this point, if you analyze which group has won, Maj. Gen. Khin Nyunt's military intelligence group will emerge as winners. This kind of scheming episode took place in the past during [former Director of Defense Services Intelligence] Brig. Gen. Tin Oo's era. Then Fisheries Minister Maj. Gen. Tin Sein was transferred to become quartermaster general and thus the war office and the Chief of Staff Office came under the control of the powerful military intelligence organization. The same tactic has been applied at the present. The Deputy Director of the Directorate of Defense Services Intelligence Colonel Than Tun was posted in anticipation as a vice adjutant general under Adjutant General Maj. Gen. Myint Aung. Thus, Maj. Gen. Khin Nyunt has received the opportunity to select and fill the (?vacant) positions of the Navy and Air Force commanders in chief and the five regional military commands with commanders who are loyal to him.

The appointment of new ministers and the formation of new ministries clearly reflect the SLORC military clique's long-term political aim and are part of the preparations to prolong their reign of power.

Authorities Release 47 Bassein Jail Detainees

BK2410140092 Rangoon Radio Burma in Burmese 1330 GMT 24 Oct 92

[Text] It has been learned that 47 male detainees, against whom action had been taken under existing laws and who had been serving their sentences, were released from Bassein Jail today after their remaining sentences were commuted in accordance with Declaration No. 11/92 of the State Law and Order Restoration Council.

43 Detainees Released From Myaungmya Jail 25 Oct

BK2510142092 Rangoon Radio Burma in Burmese 1330 GMT 25 Oct 92

[Text] It has been learned that 43 male detainees, against whom action was taken under existing laws and who were serving their sentences, have been released today from Myaungmya Jail after their remaining sentences were commuted in accordance with Declaration No. 11/92 of the State Law and Order Restoration Council.

Brunei, Malaysia & Singapore

Malaysia

Bomb Scare Puts Kuala Lumpur Airport on Alert

BK2110152692 Hong Kong AFP in English 0916 GMT 21 Oct 92

[Text] Kuala Lumpur, Oct 21 (AFP)—Security at the Kuala Lumpur International Airport was placed on red alert Wednesday following a bomb scare in the aftermath of a fire at Malaysia's premier gateway, officials said.

The bomb scare Tuesday night, five days after a fire paraylsed the control tower and disrupted flight movements, led to the closure of the airport for about 90 minutes, they said.

The officials said the bomb threat by an anonymous caller to an airport security officer turned out to be a hoax after security personnel combed the cordoned airport and found no explosives.

"This (the bomb threat) is a naughty act," Transport Minister Ling Liong Sik told reporters at the airport Wednesday where he was briefed on flight operations by Civil Aviation Department officials.

Police could not confirm press reports that there was a link between the bomb threat and Thursday's fire at the airport which Energy, Telecommunications and Posts Minister Sanglimuthu Samy Vellu said could be the work of an arsonist.

The fire destroyed the top two floors of the 44-meter (134-foot) control tower and wrecked air traffic control and communication equipment, including a 24 million Malaysian dollars (9.6 million U.S.) newly-installed French radar system.

Officials are still struggling to cope with the aftermath of the fire. "This is sad news for us as unpleasant events keep happening at the airport," the BUSINESS TIMES daily quoted Ling as saying Wednesday.

Press reports said a high-powered panel probing the fire believed it was an "inside job" by airport workers and that police had questioned more than 150 people, including senior civil aviation officials.

Ling had assured airlines that the airport was still safe for use following reports that some commercial pilots feared landing in Kuala Lumpur after the blaze.

Officials of Malaysia Airlines (MAS) said the national carrier was still counting its losses from the cancellation of flights and related expenses brought on by the fire.

MAS has been juggling its flight schedules since the fire, much to the woe of cargo companies which said they could lose millions of dollars from delayed despatches.

Japan Urged To Lead East Asian Economic Caucus

BK2010123192 Kuala Lumpur Voice of Malaysia in English 0800 GMT 20 Oct 92

[Station commentary]

[Text] Prime Minister Datuk Sri Dr. Mahathir Mohamed, on his current visit to Japan, once again called on Japan to play a more active role in East Asian affairs. Japan cannot continue to wait and see over the East Asia Economic Caucus, EAEC, issue simply because the United States may be offended. Having already committed so much to the area in terms of trade and investments, it is just not natural for it to turn a cold shoulder to the EAEC.

The U.S. has made no pretense in its objection to the proposal now fully backed by the ASEAN member countries, saying it will be protectionist. It argues that Asia-Pacific Economic Cooperation forum [APEC] will represent the interests of East Asian countries. But, this obviously is not the right grouping for them. This is because anything that is not in the interests of the U.S. in APEC is not going to be adopted by the U.S. Moreover, it clearly practices double standards by its proposed setting up of the North American Free Trade Area [NAFTA] with Canada and Mexico.

Perhaps the truth lies in the fact that the countries in this region are the most dynamic and hold the key to future prosperity. Their respective economies are forecast to record high growth rates and, therefore, will be a force to be reckoned with [words indistinct]. The EAEC will also naturally become a powerful forum for consultations with anyone. This is something the U.S. does not want because it will undermine its position in this part of the world. (?It is making) relentless efforts to see that the EAEC makes a premature end. It is apparent that the U.S. prefers to deal with Japan alone rather than Japan as the leader acting in concert with other of Asia's economically strong nations. The other alternative is to have Japan in an organization like APEC which is dominated by the U.S.

The idea and logic of an East Asian economic grouping was apparent even during the Second World War when imperial Japan attempted to set up such a group with Japan [words indistinct]. Current trends toward the formation of trade blocs like the EC [words indidtinct] also pose a danger. This being the case, the inconclusive stand by Japan on the APEC is very discouraged. [sentence as heard] Japan has to realize that it cannot continue depending on the U.S. for security. The breakdown of communism and the easing of international tension [words indistinct] Japan to undertake a stronger leadership role in this region. Therefore, it does not make sense for Japan to feel insecure against the perceived threats from big neighbors like China and North Korea.

Against such a scenario the time has come, although this matter is overdue for Japan to assume leadership and play a more responsible role if it is to gain from greater East Asian economies. It simply cannot identify itself as a member of the West any longer. Within the group of seven industrialized countries, America and Europe have a lot of supports from each other, but Japan stands alone. Japan should also seriously take a note of America's suggestion that NAFTA will be expanded to cover some Latin American and Western Pacific nations. If this happens, it will become a very powerful grouping which will affect Japan's position. Besides, the single market of America and Europe will truly want to exclude competition from East Asia.

If something is not done now, things are going to get worse later such as increased trade discriminations. East Asian countries want to stand up and be heard on internatinal issues. That is what the EAEC is all about—a single voice from East Asia in defense of free global trade. And, their voice will even be much louder if Japan is their leader.

1989-91 Balance of Payments Report Issued

BK2210132392 Kuala Lumpur NEW STRAITS TIMES in English 21 Oct 92 p 20

[Currency in the Malaysian ringgit]

[Text] Malaysia's merchandise exports grew 19.2 percent to $93,177 million, while imports rose 28.4 percent to $93,638 million in 1991, resulting the country's traditional surplus to turn into a deficit of $461 million, the Statistics Department said.

A surplus of $5,166 million was registered in 1990.

The department, in releasing its 1989-91 Balance of Payments Report, attributed the strong growth in imports to the large imports of investment and intermediate goods.

It said the continued high levels of both public and private investment expenditure resulted in a further increase in the imports of capital goods.

To sustain the fast growing manufacturing and construction sectors, which grew by 14 percent and 15 percent accordingly, increased imports of intermediate goods were further perpetuated for the third consecutive year, the department said.

Imports of investment and intermediate goods rose 28.6 percent in 1991 to $84,287 million. This increase accounted for 86.2 percent of the increase in total import value.

The department said the growth was significant since imports of investment and intermediate goods jointly accounted for more than 80 percent of the total import bill of the year.

The overall services account, meanwhile, recorded a larger deficit of $12,301 million in 1991, an increase of 26.5 percent as compared to the deficit of $9,723 million in 1990 The larger deficit was brought about by higher growth in gross services payments of $3,313 million (+12.9 percent) coupled with a smaller increase of $735 million (+ 4.6 percent) for services receipts during 1991.

In line with the large increase in imports, payments for freight and insurance also rose sharply during the year by $1,182 million (+22.1 percent).

Gross payments for freight and insurance exceeded gross earnings by $4,872 million and this amount accounted for 39.6 percent of the total deficit in services for 1991.

The department said that the travel and education component continued to show a surplus of $566 million in 1991.

The deficit in investment income worsened in 1991 as a result of a decline of $814 million (-18 per cent) in the receipts of gross investment income due mainly to decreasing interest income from abroad.

This deficit continued to account for a sizable portion, around 50 percent of the overall deficit in services during 1991.

The deficit in the other services of the balance of payments worsened by 35.7 percent to $1,924 million in 1991.

By virtue of the fact that this deficit increased sizably, its share of the overall services deficit also increased from 14.6 percent in 1990 to 15.6 percent in 1991.

In terms of composition, contract and professional charges accounted for 53.9 percent of other services receipts ($3,447 million) and 59.8 percent of other services payments ($5,371 million).

The balance on goods and services continued to worsen from a deficit of $4,557 million in 1990 to $12,762 million in 1991.

Taking into account the net transfers receipts of $303 million, the current account of the balance of payments still registered a larger deficit of $12,459 million in 1991 compared to a smaller deficit of $4,410 million in 1990.

The capital account continued to register a large net inflow of long-term capital.

Private long-term capital inflow increased significantly 77.5 percent from $6,309 million in 1990 to $11,200 million in 1991

The department said despite a bigger surplus recorded in the capital account, the basic balance remained in deficit of $622 million in 1991—BERNAMA.

Cambodia

SNC Discusses UN Dues, Presidential Elections

BK1510115592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1100 GMT 15 Oct 92

[Text] A meeting of the Supreme National Council [SNC] was held among the Cambodian factions at the Royal Palace at 0900 this morning, 15 October, in the august presence of His Royal Highness [HRH] Prince Norodom Sihanouk, head of state of Cambodia, Father of the Nation, and chairman of the SNC. All SNC members attended this meeting, with the exception of His Excellency [H.E.] Ieng Muli, representative of the Khmer People's National Liberation Front, and H.E. Son Sen, representative of the party of Democratic Kampuchea, who were absent.

In his opening speech, HRH Prince Norodom Sihanouk, head of state of Cambodia, Father of the Nation, and chairman of the SNC, expressed thanks and pleasure at the cooperation he has enjoyed with the SNC members. He highly appreciated the precious support given to him by all SNC members in the mission to rehabilitate and rebuild the country with a sense of solidarity, and reaffirmed that he would stay with his venerable monks and people forever.

There were three items on the agenda of the meeting:

1. Discussion on Cambodia's financial contribution to the United Nations:

On this matter, it was unanimously agreed that Cambodia will pay its dues to the United Nations in the name of the SNC.

2. The permanent office of the SNC to the United Nations:

On this matter, the meeting agreed that each faction will have to look for its own office at the United Nations.

3. The holding of a presidential election before the Constituent Assembly's election:

On this matter, no consensus has been reached yet. It will be raised for discussion again during future meetings. HRH Prince Norodom Sihanouk, head of the State of Cambodia, Father of the Nation, and chairman of the SNC, however, stressed that should this election take place after the Constituent Assembly's election, he will not run as a candidate to be elected as president or head of state.

UNSC Resolution on Planned Elections Supported

BK1610050792 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 15 Oct 92

[Station commentary: "Will Everything Proceed as Planned?"]

[Text] The UN Security Council [SC] on Tuesday 13 October unanimously adopted a resolution explicitly confirming that free and correct UN-prepared elections in Cambodia will be held in May next year at the latest. The resolution also requires the Khmer Rouge to make known by 15 November whether or not they will participate in a political settlement in the country. The United Nations has asked the royal Governments of Japan and Thailand to intensify diplomatic activities during that period of time in order to persuade the Khmer Rouge. It also asked Indonesia and France—the cochairmen of the Paris international conference on Cambodia—to convene a meeting of the signatories to the Paris accord to effectively enhance the accord's implementation. The move clearly shows that the process of executing the Paris peace accord will proceed as planned despite obstacles created by the Khmer Rouge and their associates.

According to a schedule, UNTAC [United Nations Transitional Authority in Cambodia] will complete voter registration at the end of 1992 to allow eligible political parties to start the three-month election campaign. Anyway, among the four Cambodian parties there is only the Khmer Rouge who have refused to join the elections while the signatory countries have all voiced their support for the poll to select a constituent assembly in May of next year.

The situation is sufficiently ripe, so one cannot afford to delay the accord's implementation any longer. Because on one hand the Cambodian people have already suffered for more than two decades—that is more than enough for this star-crossed nation—and on the other the United Nations is duty-bound to maintain peace not only in Cambodia but also elsewhere—Yugoslavia, Africa, the Middle East, and the former Soviet Union—those countries are currently appealing for assistance from the United Nations. Besides, the United Nations is now facing financial crises which are seriously threatening the activities of the supreme world organization.

That being the case, for the sake of the interests of the Cambodian people and international community, one should not overly gratify the Khmer Rouge and allow them to continue to act at will. As Asian analysts have concluded, the Polpotist group will do whatever it can to retake power, come hell or high water.

Conspicuously, the Khmer Rouge have ceaselessly raised condition after condition in a bid to show that they are flexible and ready to participate in a political settlement. But in reality they have, however, been preparing a strategy to seize power and to further massacre the Cambodian people through possible tactics of delaying the peace accord's application. As a matter of fact, in the past and in particular at the onset of this dry season, apart from attacking the State of Cambodia [SOC] side's positions, the Khmer Rouge have painstakingly shipped ammunition and military equipment to the interior of the country. In some localities, they have forced the people to serve as their porters. This does not include the ammunition and armaments they cached in jungles in the past. According to a reliable source, the Khmer Rouge can use the materiel to continue their war without outside aid for five to seven years. Moreover, the Polpotist faction has sustained its guerrilla troops with the income accumulated from the sale of precious gem stones and timber, the exploitation of which has severely affected the environment.

In sum, the Khmer Rouge military strength has been consolidated and expanded. On the contrary, meticulously and sincerely implementing the peace accord, the SOC side, which is the only party capable of challenging the Pol Pot regime, has regrouped its troops in cantonments and temporarily demobilized many of them. As for the multinational peacekeeping force in Cambodia, although it is numerous, it does not serve in combat. As such, this has opened the door for the Polpotist gang to mount attacks in the forthcoming dry season, disturbing the elections in the near future.

The Cambodian people, who are currently registering as voters and preparing to cast their ballots, ask whether everything will proceed as planned; and if the elections can go ahead, will the Khmer Rouge Polpotists recognize the election results. In this context, we wish to voice our full support for the United Nations' resolve to organize the elections as scheduled in May next year at the latest.

That is a short period of time to fulfill such a complicated task. As such, we call on the international community to take appropriate, concrete, and drastic measures against those who have created impediments to the process.

Khieu Samphan Offers Proposal on SRV Settlers

BK2510090692 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Oct 92

[Text] At the meeting of the Supreme National Council [SNC] on 20 October 1992 at Damnak Chanchhaya in the royal palace, His Excellency [H.E.] Khieu Samphan, chairman of the Party of Democratic Kampuchea [PDK] and SNC member, specified the stance of the PDK concerning the agenda on foreign forces, foreign nationals, and immigrants, and the way to resolve these issues. We would like to broadcast the entire stance of H.E. Khieu Samphan as follows:

First of all, I would like to thank H.E. Yasushi Akashi, special representative of the UN Secretary General and UNTAC [UN Transitional Authority in Cambodia] chief, for putting on this meeting's agenda the issues of foreign forces, foreign nationals, and immigrants in Cambodia at the proposal of our PDK.

In my 23 September 1992 letter to H.E. the special envoy, I provided the following additional reasons for my proposal to include these issues in the agenda of the SNC meeting:

1. Everyone knows that all types of Vietnamese aggressor forces, civilians, advisers, and experts, are still in Cambodia disguised among troops of the Phnom Penh side, Vietnamese communities, and ordinary people living in Cambodia's rural areas and cities. According to the Paris agreement, all these Vietnamese aggressor forces should be immediately withdrawn from Cambodia. To efficiently ensure that these foreign forces are withdrawn from Cambodia, the PDK holds that the SNC should have a role in cooperating with UNTAC in carrying out this important task. Therefore, it is necessary to implement a key point of the Paris agreement related to the role of the SNC, which is the legitimate and only source of power during the transitional period. This is the essence of successive proposals we have sincerely put forward recently, particularly the proposal dated 22 August 1992.

2. Apart from Vietnamese aggressor forces, there are also Vietnamese nationals settling in Cambodia. These people have been systematically sent to Cambodia by Vietnam as part of a plan over the past more than 13 years in the framework of Vietnam's policy to Vietnamize Cambodia. Once in Cambodia, these Vietnamese nationals plundered the Cambodian people's fertile and good lands, lakes, rivers, and so on. This has forced the Cambodian people to flee their villages to live abroad or become refugees in their homeland. In fact, these Vietnamese nationals are part of Vietnamese forces occupying Cambodia.

In my letter I also specified that these Vietnamese settlers are a threat to Cambodia's national survival and an issue to be absolutely resolved. However, I also said in the letter that, with goodwill to quickly solve and end Vietnam's war of aggression and occupation in Cambodia through a comprehensive political solution, the PDK, along with other Cambodian national resistance forces who have signed the Paris agreement, think that this issue should be solved at the talks betwen the new Cambodian Government—set up after genuinely free and fair elections in accordance with the Paris agreement—and the Vietnamese Government.

Now I would like to stress again that, judging from the real situation in Cambodia, one cannot consider foreign nationals and immigrants in Cambodia the same as those in other countries. Disguised Vietnamese forces and Vietnamese settlers should not be considered foreign nationals and immigrants the way people have used these words. These Vietnamese settlers have been sent to Cambodia within the framework of a Vietnamization policy for Cambodia.

I have also drawn the attention of H.E. the special representative to the fact that Vietnamese settlers continue to flow into Cambodia after the signing of the Paris agreement and after the establishment of the SNC, which is the legitimate and sole source of power in Cambodia.

3. In our view, this is a serious violation of Cambodia's territorial integrity and sovereignty and a direct violation of the Paris agreement. As a signatory of the Paris agreement, particularly the accord on Cambodia's sovereignty, independence, territorial integrity, and neutrality, Vietnam must take appropriate measures to end the influx of Vietnamese nationals so the Cambodians can live as a people; this issue should be urgently resolved.

Altogether, there are now two million old and new Vietnamese nationals in Cambodia. These Vietnamese nationals should not be considered ordinary foreigners and immigrants. The fact is that these people are disguised Vietnamese forces who have been sent back to Cambodia.

4. Furthermore, nearly one million Vietnamese nationals settling in Cambodia, including those newly arrived, have been granted Cambodian nationality. Because the Phnom Penh regime has illegally issued Cambodian identity cards, these Vietnamese nationals have the right to take part in the forthcoming election so Vietnam will be able to continue to occupy Cambodia.

We would like to appeal to UNTAC, the SNC, and the countries that have signed the Paris agreement to urgently solve this issue.

5. Later on I informed H.E. Akashi that besides the issue of Vietnamese troops and Vietnamese settlers in Cambodia, there are the issues of:

1. Vietnamese nationals who have entered Cambodia illegally since 23 October 1991, and

2. The granting of Cambodian nationality to old and new Vietnamese settlers who have come to Cambodia.

For these reasons I have proposed to H.E. Akashi that he set up a special SNC committee chaired by UNTAC to solve the above two issues and report to the SNC and UNTAC so appropriate measures can be taken quickly.

Son Sann Urges Election Working Committee

BK2410020492 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 23 Oct 92

[Text] On 20 October 1992 at the 20th meeting of the Supreme National Council [SNC] in Phnom Penh, His Excellency [H.E.] Son Sann, chairman of the Khmer People's National Liberation Front and SNC member, said that at present there are many illegal Vietnamese residents in Cambodia. H.E. Son Sann further said that the majority of these Vietnamese now have the right to vote. He proposed that UNTAC set up a working committee to check voter registration and the forthcoming election.

Pol Saroeun: KR To Launch Dry-Season Offensive

BK2510122292 Phnom Penh SPK in English 1040 GMT 25 Oct 92

[Text] Phnom Penh SPK October 25—Deputy Defense Minister Gen. Pol Saroeun met here on October 21 with Toress, French military attache to the Supreme National Council of Cambodia (SNC).

Pol Saroeun, who is also chief of General Staff of the People's Armed Forces of the State of Cambodia, informed his French guest of the latest development in the country, the process of the implementation of the Paris peace accords, and the Khmer Rouge's [KR] refusal to comply with the accords.

The deputy defense minister also told Mr. Toress of the faction's fresh cease-fire violations, the killing of civilians, and the blowing up of bridges in Kompong Cham and Kompong Thom Provinces which blocked traffic along Roads 6 and 21.

He said: "For the coming dry season, the Khmer Rouge will certainly launch offensive against the State of Cambodia as it is done every year by the faction."

For his part, Toress said that the French contingents to UNTAC [UN Transitional Authority in Cambodia] had been deployed at 17 points throughout Cambodia for implementing the Paris peace agreement and helping Cambodian people achieve peace and prosperity.

Hor Namhong: New War Against KR Inevitable

BK2310112492 Hong Kong AFP in English 1110 GMT 23 Oct 92

[By Andrew Sherry]

[Text] Phnom Penh, Oct 23 (AFP)—One year after Cambodia's peace treaty was signed, it has become clear that renewed warfare against the Khmer Rouge [KR] is inevitable, Phnom Penh government Foreign Minister Hor Namhong said Friday.

"There is no hope at all" that high-ranking Japanese and Thai diplomats currently visiting Phnom Penh will be able to persuade the Khmer Rouge to rejoin the peace process, he said.

"One year is enough to show the Khmer Rouge aren't going to cooperate."

Hor Namhong confirmed that Phnom Penh had stopped disarming and cantonning its troops, with the approval of United Nations Transitional Authority in Cambodia (UNTAC) chief Yasushi Akashi, rather than risking dangerous weakness in the face of the Khmer Rouge.

The guerrilla faction has refused to disarm in line with the peace treaty it signed last year, claiming that the Vietnamese troops that ousted it from power in 1979 remain in Cambodia to support the Phnom Penh government. Hanoi says they were all withdrawn in 1989.

Hor Namhong called for the Khmer Rouge to be expelled from the Supreme National Council (SNC), which groups all four Cambodian factions and represents Cambodian sovereignty, to strip the genocidal faction of claims to international legitimacy.

If the faction refuses to participate in the elections scheduled for May, it should be left out of the vote, and then the new government should "hunt down the Khmer Rouge like Thai or Malyasian communist bandits."

Hor Namhong's own government was communist until the ruling party declared last year that it had switched its name and ideology, espousing the politically popular free market.

Asked about the dangers of Khmer Rouge attacks if the elections are held without the faction, Hor Namhong said UNTAC's mandate should be strengthened so UN troops can help protect voters.

"Whether they participate or not, the Khmer Rouge will start fighting after the elections," he said. "Their long-term strategy is to return to power."

"It is better to take away their international legitimacy now, and do what is necessary for self-defense," he said.

While the guerrilla faction is capable of launching attacks, notably in Kompong Thom Province, it is not strong enough to alter Cambodia's strategic balance, he said. Phnom Penh controls an estimated 80 percent of the country.

China, the longtime backer of the Khmer Rouge, no longer wields much influence because the faction "is too rich" from the sale of lumber and gems from the zones it controls, Hor Namhong said.

But Thai field commanders along the border continue to allow the faction to bring in arms, in violation of the peace accords, he charged.

Despite the impasse of the peace process, Hor Namhong praised the progress made by the United Nations in repatriating refugees, improving the human rights climate and registering voters.

The anniversary of the treaty was marked here Friday with UN military parades and speeches by SNC Chairman Prince Sihanouk and UNTAC chief Yasushi Akashi.

UNTAC Helicopter Fired on Near Angkor Wat

BK2610095892 Hong Kong AFP in English 0905 GMT 26 Oct 92

[Text] Phnom Penh, Oct 26 (AFP)—Small arms fire hit a UN helicopter in northwest Cambodia, slightly injuring a French crewman, United Nations Transitional Authority in Cambodia (UNTAC) spokesman Eric Falt said Monday.

Five rounds hit the Puma helicopter Sunday as it flew low to inspect the condition of roads north of the Angkor temple complex in Siem Riep Province, as part of a mission to prepare for Cambodia's elections, the spokesman said.

He did not say who was believed responsible for the shooting, the 13th since UNTAC deployed in March. Some previous incidents have been blamed on the Khmer Rouge guerrilla faction, which has refused to disarm in line with last year's peace treaty.

A French crewman was "very slightly injured" on his little finger by one of the three bullets that hit the cockpit, Falt said.

Party Paper Hails Chea Sim's Visit to Malaysia

BK1610053792 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 15 Oct 92

[PRACHEACHON editorial: "A Very Important Step in Cambodian-Malaysian Relations and Cooperation"—date not given]

[Text] The official visit to Malaysia from 7 to 14 October of the high-level party-state delegation of the State of Cambodia [SOC] led by His Excellency [H.E.] Chea Sim—chairman of the Cambodian People's Party [CPP], National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense—has concluded successfully. H.E. Chea Sim's visit to Malaysia, the first in over 10 years, constitutes a significant event bringing the relationship between the two countries of Cambodia and Malaysia into a new phase that not only conforms to the prevailing trend of the general situation in the world but also to the essential interests of the peoples of the two countries.

During his visit, H.E. Chea Sim held a working meeting with H.E. Tan Sri Tengku Mohamed Zahir, speaker of the Malaysian parliament, as well as several high-ranking officials in charge of Malaysia's economy. The two sides exchanged information on the general situation in their respective countries and on some experiences concerning the multiparty political system and the privileges and powers of the president (?in a parliamentary system).

On the stance of constantly wanting to end the suffering and poverty of the Cambodian people, H.E. Chea Sim reaffirmed the CPP's and SOC Government's desire to seek peace and national reunification for the motherland and their efforts to implement the Paris peace accord.

For its part, the Malaysian side expressed its hope that the years of the Cambodian people's horror and incalculable suffering will end in the near future, thereby allowing Cambodia to become a partner with the prosperous countries in Southeast Asia. Malaysia resolved not only to make a personnel and financial contribution to the UN force in Cambodia but also to provide assistance for the rehabilitation and reconstruction of Cambodia.

Our people enthusiastically welcome and highly value the outcome of the visit to Malaysia by the high-level party-state delegation of the State of Cambodia headed by H.E. Chairman Chea Sim. They consider the visit a significantly important event at this new stage in relations which will thrive for the benefit of the two countries' peoples, thereby importantly contributing to the cause of peace, friendship, and cooperation in the region and the world.

Chea Sim Gives Address at Hospital Opening

BK2310105992 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 22 Oct 92

[Speech by Chea Sim, Cambodian People's Party Central Committee chairman, at 22 October opening of a U.S.-aided children's hospital in Phnom Penh's suburban Meanchey District—recorded]

[Text] My respects to Your Lordship the supreme patriarch and to all venerable monks; my respects to all distinguished and beloved ladies and gentlemen present here; my respects to His Excellency [H.E.] Ambassador Twining; my respects to all distinguished and beloved representatives of the Chinese, Thai, Indonesian, and Vietnamese Embassies present here; my respects to the distinguished representatives of World Vision; and my respects to all beloved brothers and sisters, nieces and nephews present at this ceremony to inaugurate the Meanchey District Hospital.

First of all I would like to express profound gratitude to World Vision for the generous aid from the United States and the U.S. people who have always shown that they care for the good health of the Cambodian children and of our Cambodian people as a whole. I am here at the gracious command of His Royal Highness [HRH] Prince Norodom Sihanouk and the princess royal consort. I attend this inaugural ceremony in place of HRH Prince Norodom Sihanouk and the princess royal consort as they are engaged in important business and cannot attend the opening of this hospital. I would like to convey their greetings and best wishes to all our compatriots, to H.E. Ambassador Twining, to all representatives of the Chinese, Indonesian, Thai, and Vietnamese Embassies, and to the people of World Vision. Moreover, I would like to express profound thanks to all representatives of the diplomatic corps present here for always closely following and actively contributing to the Cambodian peace process.

At this moment we begin the inauguration of the hospital in Meanchey District, which stands as a testimony to the efforts of the Cambodian People's Party [CPP], the State of Cambodia [SOC] Government, and the party and administrative committees of Phnom Penh city and Meanchey District and also to the efforts and generosity of World Vision, the United States, and the U.S. people.

The past 14 years have witnessed rapid growth and development in social welfare and public health sector. The growth and development in social welfare and public health sector is embodied not only by this just-inaugurated hospital alone. There are many other hospitals which have been newly built or restored from those damaged by the destructive wars of the past two decades in Cambodia. Wars have never brought anything good to the Cambodian people or anybody in the world. Wars always bring with them destruction, be it human lives or material property. The wars during the past two decades experienced by Cambodia and the Cambodian people left behind serious devastation. The consequences that our CPP [Cambodian People's Party], SOC Government, and Cambodian people have had to shoulder since 1979 were formidable. The Cambodian situation after 1979 saw all of us working strenuously to rehabilitate and develop the national community and bring about growth and progress in all fields, especially in the social welfare and public health sectors.

Yesterday, HRH Prince Norodom Sihanouk and the princess royal consort inaugurated the hospital in Russei Kev district. That hospital was built by HRH Prince Norodom Sihanouk before 1970. It has now been restored by World Vision with the generous aid of the United States as H.E. Ambassador Twining had said just now. The hospital inaugurated by HRH Prince Norodom Sihanouk yesterday was rebaptized Samdech Euv Hospital as a tribute to the precious service rendered by HRH Prince Norodom Sihanouk and the princess royal consort in pioneering the policy of Sangkum Reas Niyum [Sihanouk's pre-1970 political party] that our CPP and SOC Government have pledged to follow. Each of our programs, including the political, economic, social, and health programs, follows the line of Sangkum Reas Niyum. Moreover, HRH Prince Norodom Sihanouk has repeatedly stated that everything that the CPP and SOC Government have achieved in national rehabiliation and development over the past 14 years is the continuation of the Sangkum Reas Niyum policy. He also said that the CPP and the SOC Government succeed Sangkum Reas Niyum.

HRH Prince Norodom Sihanouk has always paid special attention to the educational and social welfare and public health sectors, seeking always to enhance the acumen of our Cambodian people and their children. Likewise, the CPP—the successor of Sangkum Reas Niyum pioneered by HRH Prince Norodom Sihanouk—has also paid close attention to rehabilitating and developing the national community, especially in the educational and social welfare and public health sectors. Speaking of schools, after 1979 most of them were destroyed. The few that still stood were then restored and new ones were built thanks to the efforts of the CPP and SOC Government with the enthusiastic participation of our Cambodian people. In particular, all venerable monks throughout the country contributed greatly to the construction of schools, hospitals, roads, and bridges, especially school buildings. The venerable did all of this even before 1970, that is, in the era of Sangkum Reas Niyum. The venerable throughout the country have been most enthusiastic in building schools, hospitals, and roads. You have pursued the line of Sangkum Reas Niyum and continued your past tradition. For the past nearly 14 years, all venerable throughout the country have taken a very active part and you continue to take an active part in this endeavor.

Moreover, there is the active assistance of our overseas Cambodian brothers, both in France and the United States, as well as in many other countries known to be sheltering our Cambodian citizens. These brothers have generously donated money to help build schools and hospitals.

Besides, we have enjoyed the aid and support of various international organizations, especially that of World Vision. I am confident that World Vision and the United States and U.S. people will continue to pay great attention to helping improve the education of the Cambodian people as well as protecting and caring for the health of Cambodian children and people by giving them more hospitals. Besides the hospitals, we also need doctors to take care of the Cambodian children and people. As all excellencies, venerable monks, and compatriots know, after 1979 only 40 doctors had survived. Our Cambodian people, our Cambodian nation experienced wars for over two decades and went through a period under a so-called genocidal regime which slaughtered the people, deprived them of freedom, closed schools and hospitals, and massacred intellectuals, technicians, and scientists, including doctors to the point that just a little more than 40 of them remained alive. To date, the CPP, the SOC Government, and the Ministry of Public Health, which is in direct charge, have reopened the Faculty of Medicine and the Nurse Training School. We made remarkable progress in training doctors and now have 700 of them. This cadre of 700 doctors is not yet sufficient to meet the needs of providing care for the Cambodian children, Cambodian people, and all venerable monks. It is necessary for us to train and produce more of them. We will have to work so that enough doctors are available in order to fully care for our people. And we now have 2,000 medical workers and as many as 10,000 nurses. These numbers reflect progress made from scratch. To achieve this development under such conditions is a tremendous feat. However, we still have much more to do in order to really cope with the demands. We will have to pay greater attention to training more doctors, medical workers, and nurses to fully meet the needs of our Cambodian people.

As HRH the prince has repeatedly said, our Cambodian people over the past 14 years have been enjoying full rights and liberties. HRH the prince said that freedom and democratic rights that have been liberalized by the CPP and SOC Government, to a certain extent, are even more liberal than those in the time of Sangkum Reas Niyum before 1970. Therefore, the freedom of worship, such as the belief in Buddhism, Islam, and other religions, and the freedom of belief in traditions, mores, and customs of the Cambodian people—everything that was prohibited in the past—have been revived since 1979. Concerning Buddhism, speaking of the clergy, more than 3,000 monasteries have been reopened. A few monasteries have yet to reopen because they were razed to the ground and it has been impossible to restore them. They are not banned. If they are still to be closed it is because there are no technical possibilities to reopen them. In principle, all monasteries are permitted to reopen. As for the Buddhist monks, all the ordination regulations and traditions of worship of the Cambodian people have been fully liberalized. One can become ordained regardless of his age. He can become either a monk or a novice. And there is no restriction on the number of monks in each monastery. It all depends on the wish of the congregation. The same thing has happened to Islam. The freedom of worship has been liberalized. In the past, Islamic mosques, Buddhist temples, and Christian churches in Cambodia were shut down and turned into depots or stables. Their use now responds fully to the desire of the Cambodian people who regard them as places of worship. Now, there is no restriction. Everything is liberalized. Places of worship have been treated with fitting respect. The CPP, SOC Government, and Cambodian people have always paid close attention to this question as it is a major question for the Cambodian people, a centuries-old tradition of the Cambodian people that cannot be ignored.

According to observation, our people, including those gathering here, are living in a state of hope and expectation for the success of the peace process in Cambodia. As H.E. Ambassador Twining stated just now, all the accords signed in Paris on 23 October 1991 have gone into effect. The peace process in Cambodia will go on as always. We demand that all Cambodian factions respect the accords on equal footing and implement them equally sincerely so that the peace process in Cambodia can proceed as usual and the elections of the constituent assembly can finally be held at the beginning of 1993 as scheduled in the accords; no later than May 1993. If all these accords are implemented and the elections of the constituent assembly are held in early 1993, the peace process in Cambodia will satisfy our Cambodian people who are looking forward to having peace again. All venerable monks as well as compatriots want to live in peace. They want to live in peace like other people in the world. The trend in the world is heading toward global peace. Cambodia also is heading toward a lasting peace for the nation and the Cambodian people.

We also would like to express profound gratitude to the United Nations for its mission in Cambodia known as UNTAC [UN Transitional Authority in Cambodia]. UNTAC's endeavors are aimed at achieving peace in Cambodia for the Cambodian people. The endeavors of the Big Five are also aimed at achieving peace in Cambodia. So are the endeavors of the cochairmen of the international conference on Cambodia, France and Indonesia, and those of the entire international community.

The Cambodian people, the CPP, and the SOC Government have firm confidence in the eadeavors of UNTAC, the Big Five, the international community, the cochairmen of the international conference, and HRH Prince Norodom Sihanouk as chairman of the Supreme National Council [SNC] who has always concentrated his attention on the SNC meetings to settle problems concerning the Paris agreement and see to it that the accords already in effect can be fully implemented, thus leading toward the elections in 1993 as agreed upon. Despite some obstacles created by certain parties, we are confident that thanks to all these endeavors, the peace process in Cambodia will proceed as usual and will reach its ultimate stage in conformity with the accords.

Moreover, I would like to express profound gratitude to the doctors present here as well as those throughout the country and the Ministry of Public Health for striving to rehabilitate the social welfare and public health sector, train and produce more doctors, increase skills and specialities, and observe good conduct and a high standard of morality in providing care for the children and people in general. They have worked wholeheartedly, tirelessly day and night, just as HRH the prince said yesterday: Doctors work to ensure the good health of the people day and night. While other departments work according to specific schedules, the health officials and doctors have to provide care for the people without any specific time frame, around the clock. I would like to express my admiration of the altruism and devotion of the doctors present here and everywhere in the country. I also warmly congratulate the Ministry of Public Health for its dedication.

Once again, I deeply thank World Vision for the generous aid from the United States represented here by H.E. Ambassador Twining. I also thank all international organizations in Cambodia that are continuing to help the Cambodian people improve their well-being and assist Cambodia in its rehabilitation and development, especially in the economic and social sectors, working hard so that our people can enjoy a better, happier life.

From this podium, I can see the faces of the people and venerable monks. Your faces are full of hope and confidence in the future. I can see that many of you are dressed in colorful clothes. In the past, we could not wear such colorful dresses. Now we can wear clothes of any color we like. In the past, our elders could not wear white unlike what they are doing now. At that time, maybe, you could be only fertilizer [a play on the word chi which also means nuns; referring to the Khmer Rouge practice of turning the decomposed bodies of their victims into manure] instead of being nuns dressed in white and observing five or 10 precepts in accordance with the Lord Buddha's teachings for the happiness of the Cambodian people and that of all the faithful. Now you can pray as much as you like and you can do anything you want, such as meditating. The same goes for Islam. You can pray five times a day or just twice a day in accordance with the traditions, mores, and customs of the Muslim brothers. There are no restrictions whatsoever. You have the democratic rights and liberties to choose. There is no prohibition. It is up to the Cambodian people to choose what is good for them and discard what is not good and does not conform with their desire. They can judge for themselves whether the political and economic programs of the CPP are suitable and satisfactory to them, whether they are adequate, whether they lack something that we used to have in the past, or whether they possess everything now. If there is something still missing, we will do our best to include it so that every wish of the Cambodian people is answered.

You have virtually everything now. You can ordain as many Buddhist monks as you like in each monastery. The same goes for Islam and all other religions. Our people, including minorities, can revive all their traditions, mores, and customs.

Finally, I would like to end this speech so that we can proced with the ribbon cutting ceremony. Before concluding, I pray to all sacred objects of Buddhism and other religions that protect the lives of the people, sustain their happiness, and help maintain their belief and customs. May all these sacred objects provide you with protection forever. May all venerable monks and the entire congregation enjoy the five blessings of the Lord Buddha, namely long life, good complexion, happiness, strength, and recovery. [applause] I wish H.E. Ambassador Twining, World Vision, and the representatives of the Chinese, Indonesian, Thai, and Vietnamese Embassies the five Buddhist blessings.

On behalf of the CPP and SOC Government, I present the hospital with a gift of one million riel for future development. This money can be used as deemed necessary. Thank you. [applause]

Sar Kheng Speaks at Party Committee Meeting

BK1210054092 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 11 Oct 92

[Text] The Tourism Department's Provisional Party Committee held its first meeting on 9 October under the chairmanship of His Excellency [H.E.] Sar Kheng, Standing Committee member of the Cambodian People's Party [CPP] Central Committee, vice chairman of the Council of Ministers, and minister of the Interior; Mr. Cheam Yiep, member of the CPP Central Committee and general director of the Tourism Department; Mr. (Sar Prommanea), deputy director of the Tourism Department; Mr. Som Chen, deputy director of the Tourism Department; and 78 other officials, personages, and members of the CPP and Tourism Department.

This meeting of the Tourism Department's Provisional Party Committee was held to assess implementation of all policies, circulars, and resolutions of our party and state and to draw experiences for future implementation.

The meeting's participants also examined the strong and weak points in past implementation work and elected seven members of the Tourism Department's Party Committee to bolster work efficiency.

Speaking at the end of the meeting, H.E. Sar Kheng exhorted all leaders and members of the Tourism Department to work even harder to bring more progress to Cambodia's tourism, particularly to expand the number of places for tourism.

He added that since the signing of the peace agreement in Paris, the Khmer Rouge have continued to violate the agreement in an attempt to create instability in Cambodian society. He stressed that we should urge the people to register to vote at registration polls in their respective wards and districts.

PRACHEACHON Editorial on CPP's New Emblem

BK1510101792 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 14 Oct 92

[PRACHEACHON editorial; date not given: "The Angel That Scatters Flowers Is Magnificent in Spirit, Body, and Deeds as He Is Working on Everything That Is Good for Peace, Reconciliation, and Prosperity of the Nation"]

[Text] The Angel That Scatters Flowers is the emblem of the Cambodian People's Party [CPP]. He symbolizes the line and political platform of the CPP, which always truly serves and protects the interests of the people. Under all circumstances and in all situations, even in the face of myriad dangers, obstacles, and difficulties, the CPP always stays close to the people, sharing weal and woe with them, and courageously wages tireless struggles and efforts to realize the sacred hopes and holy aspirations of the people whose wish is to have peace and achieve total national reconciliation so as to rehabilitate and develop the country, bring about prosperity, and get rid of separations, poverty, and hunger.

We have not forgotten the 3 years eight months and 20 days when we lived in the prison without walls and the time when the Kampuchea National United Front for National Salvation, with the CPP as the leading core, put forth line 112 and urged the people to rise up and unite into a single body to save themselves and the nation. The CPP also mercifully allowed those who had broken rank with the genocidal line to join it in building a new life. After the national rebirth, it led the people in restoring the country and staving off the sabotage activities of the opposition groups, using one hand to wield arms to prevent the Polpotist genocidal regime from returning to power and the other to hold tools to produce foods and rehabilitate or rebuild the social structures from scratch.

After the signing of the Paris agreement on 23 October 1991, our CPP invited the Prince Father to return to the motherland and become the protector and father of the nation. It also solemnly restored to the Prince Father his former legitimate title of head of state that he held before the 18 March 1970 coup d'etat. Moreover, the CPP has named after the Prince Father all his former historic achievements. The CPP has modified its line and political platform to conform with the national situation and the international trend by adopting multiparty liberal democracy, liberalizing the freedom of information, instituting the free-market economic system, and authorizing capital investment both inside and outside the country. The people enjoy the right to own land, houses, rice fields, and orchards. The people have the rights and liberties to travel and set up residence inside or outside the country. The people living abroad, provided their parents or grandparents were born in Cambodia, are eligible to vote. Buddhism is regarded as the state religion. Other religions, such as Islam and Christianity, have been miraculously revived.

The political platform of our party certainly is correct. Its attributes can be compared to those of an angel symbolizing goodness, hope, compassion, and mercy toward all of mankind. The CPP has done and is doing everything in pursuance of the the Prince Father's Sangkum Reas Niyum policy and for national reconciliation so that the country can enjoy independence, peace, neutrality, and prosperity through development. This fact, this most painstaking and assiduous gesture of the CPP and the SOC [State of Cambodia] Government has been acknowledged by the Prince Father and the international community as well as each of the Cambodian people.

Our people cannot forget the good service rendered by the CPP when the entire nation was plunged into the sea of tears and blood and when all prayed to all mighty gods and sacred objects in the world to rescue them from the hell on earth, the prison without walls of the Polpotist genocidal regime.

In the process toward peace, national reconciliation, and national development, our people are confident in and supportive of the CPP. They hope that the CPP will make their dreams and aspirations a reality. Our people wish the CPP full success in its glorious mission to help our country and people definitively end the epoch of sufferings, misery, separations, poverty, hunger, hatred, malevolence, and genocide and advance toward enjoying the beacon of peace and happiness.

Hun Sen Receives Delegation of Japanese Dietmen

BK1510071892 Phnom Penh SPK in French 0405 GMT 15 Oct 92

[Text] Phnom Penh 15 Oct (SPK)—Mr. Hun Sen, chairman of the Council of Ministers of the State of Cambodia [SOC], on Monday received in Phnom Penh a delegation of Japan's Liberal Democratic Party which was headed by Hajime Funada, chief of the party's Foreign Relations Department and member of the Japanese Diet, and which has been visiting Cambodian since 11 October.

Speaking on this occasion, Mr. Hun Sen welcomed the delegation whose visit was to promote friendly relations between Japan and Cambodia. Dealing with the implementation of the peace accords, Mr. Hun Sen stressed that the Khmer Rouge have been undertaking sabotage activities in the political, economic, and military fields and against even the peace plan of UNTAC (UN Transitional Authority in Cambodia). On the presence of the Vietnamese, Hun Sen said that UNTAC had stressed that there was not a single Vietnamese soldier in Cambodia, adding that regarding the elections "we have decided to organize a presidential election before the legislative elections."

In his remarks, Mr. Hajime Funada shared Mr. Hun Sen's concern for the implementation of the Paris accords. He assured the Cambodian leader of Japan's close cooperation in the search for a genuine peace in Cambodia.

Japan will provide aid for Cambodia's reconstruction, particularly for the restoration of the Chrouy Changva bridge and the Angkor Wat temple, the cultural heritage of the Cambodian people, said the Japanese dietman who then praised the efforts deployed by the SOC in the search for peace and rehabilitation of Cambodia.

Indonesia

Military Chief Interviewed on 'Threat' From North

BK2510104692 Jakarta KOMPAS in Indonesian 12 Oct 92 pp. 1,14

[Excerpts] Beijing, KOMPAS—The notion that there is a threat from the North is not aimed at any particular country. Indonesia has never directly identified the existence of any threat from any country. Relations with several countries, including the PRC, are the result of Indonesia's independent and active foreign policy.

Armed Forces Commander General Try Sutrisno said this at a special interview with KOMPAS correspondent Rene L. Pattirajawane at the Diaoyutai Guest House in Beijing on 11 October. The armed forces commander had been visiting Beijing since 8 October at the invitation of Colonel Gen. Chi Haotian, chief of the General Staff of the Chinese People's Liberation Army.

Gen. Sutrisno said that as a nation having Pancasila as its ideology, life philosophy, and world-view, Indonesia must remain vigilant, saying: "We must remain vigilant and never allow ourselves to be influenced by any other ideology in the world." [passage omitted]

In his meeting with several high-ranking Chinese military officers, including Col. Gen. Chi Haotian, Defense Minister Col. Gen. Qin Jiwei, and Col. Gen. Xu Xin, deputy chief of general staff of the Chinese People's Liberation Army, Gen. Sutrisno said they had discussed the situation in the South China Sea and the Spratly islands. However, Gen. Sutrisno did not elaborate on these two issues in his interview. [passage omitted]

100 Timorese Arrested Before Australian Visit

BK2610055492 Hong Kong AFP in English 0544 GMT 26 Oct 92

[Text] Darwin, Australia, Oct 26 (AFP)—The Indonesian military arrested more than 100 East Timorese before a planned visit to the territory by Australian MPs that was called off this month, the independence movement Fretilin said here Monday.

Fretilin's representative in Australia, Alfredo Ferreira, said he had a list of the names of 42 people among those detained in a crackdown July, August and September.

"It was the expected visit of the parliamentarians to East Timor that was one of the leading factors," Ferreira said, referring to 10 members of the Joint Parliamentary Committee on Foreign Affairs, Defence and Trade who are currently on a study tour of Indonesia.

The Australian delegation was due to visit East Timor as part of their tour, but shortly before they left Canberra permission to enter the island was withdrawn.

Another reason for the timing of the crackdown seemed to be the Non-Aligned Nations summit in Jakarta early last month, Ferreira said.

The Indonesian authorities expressed concern over security so close to the anniversary on November 12 of last year's Dili massacre, when Indonesian troops opened fire on a crowd, killing at least 50 people, with some eyewitness reports of more than 100 dead.

Ferreira said the purpose of the arrests was to stop any communication between suspected members of the resistance.

Detainees are being held without charge in army barracks in Dili and the smaller centres of Baucau and Viqueque, he said.

Minister Asks Japan To Increase Nonoil Imports

BK2510080692 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 25 Oct 92

[Text] Japan has been asked to import more Indonesian products based on Japan's generalized system of preferences. The request was made by Indonesian Trade Minister Arifin Siregar in his meeting in Manila with Japanese Minister of International Trade and Industry Kozo Watanabe. Minister Arifin noted that even though Japan is one of Indonesia's major trade partners, oil and gas products continue to constitute the bulk of that country's imports from Indonesia. Therefore, Indonesia has decided to enlist Japan's assistance in developing and expanding the market of its nonoil and nongas products.

Oil Company Signs Contract With SRV Partner

BK2310104392 Jakarta ANTARA in English 1714 GMT 21 Oct 92

[Text] Hanoi, Oct 22 (OANA-ANTARA)—An Indonesian private oil company, PT [Limited Company] Astra Petronusa, and its Vietnamese partner signed a profit sharing contract here Friday.

The signing was witnessed by Indonesian Ambassador to Vietnam Juwana who expressed hope that the two companies' oil cooperation could enhance relations between Indonesia and Vietnam.

According to the ambassador, the increasing export value of Vietnam's commodities in the last eight months proves that Vietnam would make its economic development a success within a short time in the future.

Vietnam, whose people suffered from famine in 1985, has now been able to export one million tons of rice annually, he said, adding that Vietnam was expected to export five million tons of the commodity this year.

Indonesia has opportunities to invest its capital in Vietnam while a number of Vietnamese are currently engaged in trainings in Indonesia among others in the field of cooperative.

Laos

Army Issues Instruction on Assembly Election

BK2510100392 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 19 Oct 92

["Recent" instructions issued to Vientiane area party committees, unit commands, organizations, factories, schools, and hospitals attached to the Lao People's Army by the National Defense Ministry's Subcommittee on Election to the National Assembly concerning preparations for holding elections to the Third National Assembly]

[Text] The instructions read as follows:

1. To thoroughly study the law on election to the Third National Assembly.

2. To thoroughly study and appreciate the qualifications of candidates to the Third National Assembly.

3. Army units located in certain localities must cooperate and consult with the local administrations in setting up polling units. A unit with 500 eligible voters or more is authorized to set up a polling unit within its boundaries. But, a unit with 499 eligible voters or less must join the polling unit in the adjacent area.

4. A unit with its own polling unit must set up a responsible committee to coordinate with its local district to acquire ballots and ballot boxes from and report the results of the election to it in a timely manner.

5. With regard to election day, army units are allowed to cast votes one day before or one day after that election day. As for organizations, the voting must be done in a unified manner throughout the country on election day. Units that have not received the election documents, the election law, and the criteria on the qualifications of members of the National Assembly should get such documents from the Propaganda and Training Department of the Lao People's Army [LPA] General Political Department.

Upon receiving this instruction, action must be immediately taken to implement it. A periodic report must be submitted to the LPA General Political Department on a regular basis.

Party Paper Hails Chinese Party Congress

BK2410122192 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 21 Oct 92

[PASASON editorial: "Wholeheartedly Hail the Success of the CPC Congress"; dated 21 October]

[Text] As is known, the 14th national congress of the CPC, a party with 50 million members, which was elegantly opened at the People's Hall in Beijing on the morning of 12 October, closed with glorious success on 18 October after seven days of work. The congress was attended by some 2,000 delegates from throughout China. In the congress, the delegates heard and studied a political report of the Central Committee, a report of the Central Advisory Commission, and a report of the Central Discipline Inspection Commission of the 13th party congress. They also unanimously passed a resolution of the congress and the revised draft rules and regulations of the CPC. In addition, the delegates elected a new party Central Committee with Comrade Jiang Zemin reelected general secretary of the party. The new party Central Committee is composed of 319 members, including 130 alternate members. They also elected a new Central Discipline Inspection Commission comprising 108 members.

Adhering to the great cause that the CPC has pursued over the past 14 years in a progressive manner aimed at rapid development, in leading the Chinese nation to march toward the new era—an era of economic reform, an open door to the outside world, and the setting up of modern technological establishments—the 14th CPC Congress put forth ever more specific and decisive policies which are particularly aimed at implementing the law on the modification of the national economic structure and the building of a socialist marketing structure with a view to bringing about prosperity to the Chinese nation and people and building socialism with Chinese characteristics. The building of the market-oriented economic structure of China is a scientific objective which was adopted in the 14th Congress of the CPC. It is considered a significant theoretical offensive as well as a review of lessons and an assessment of the results achieved in carrying out the reform, open-door policy, and economic development throughout the past 14 years. It is also considered a beginning point of the new era.

For this reason, the delegates have regarded this congress of the CPC as a milestone and a new direction for the reform work of China. All these have proved that, in addition to achieving success in leading the revolution, the CPC has achieved one success after another in carrying out the reform and construction work. The statement made by Jiang Zemin in his report at this congress which said: This CPC congress has reflected genuine solidarity and victory, is therefore absolutely correct.

The Lao People's Revolutionary Party [LPRP] and the Lao people wholeheartedly welcome the great and glorious success of the 14th national congress of the fraternal CPC and are convinced that under the clear-sighted and talented leadership of the CPC with Comrade Jiang Zemin as general secretary and Comrade Deng Xiaoping as the core, adhering to the four-point principles of the CPC and firmly grasping the strategic policy of one central point and two basic points as adopted by the party, the Chinese Communists and people will certainly achieve glorious success in fulfilling the plan and aspirations in translating into reality the resolution of the 14th party congress. Continually pursuing their consistent foreign policy, the LPRP and our Lao people pledge to stand by the side of the fraternal Chinese party and people and to learn from them good lessons and then creatively apply those lessons to the practical conditions in their country in order to achieve firm success in implementing the resolution of their fifth party congress and use it as the basis to continually march forward.

Kaysone Greets Jiang Zemin's Re-Election

BK2410141292 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 24 Oct 92

[Message of greetings from Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party Central Committee, to Jiang Zemin, general secretary of the CPC Central Committee; dated 22 October]

[Text] Comrade, on the occasion of your re-election as general secretary of the CPC Central Committee, on behalf of the Lao People's Revolutionary Party [LPRP] Central Committee, and in my own name, I would like convey to you sincere greetings and best wishes.

With many precious lessons that you, comrade, have learned through your actual practices in the past, I am convinced that you, comrade, together with associates in the leading organization of the party, will be able to lead the entire Chinese party and people to successfully fulfill the resolutions of the 14th CPC Congress so as to build a prosperous, modern China and bring about a life of plenty and happiness to all Chinese people.

I am convinced that the relations of friendship and cooperation between the two parties and peoples of Laos and China will be further promoted, expanded, and strengthened ever more fruitfully. I wish you, comrade, good health and success in performing your noble tasks.

Central Committee Board Meets NHAN DAN Group

BK2210122092 Vientiane KPL in English 0912 GMT 22 Oct 92

[Text] Vientiane, October 22 (KPL)—Mr. Somlat Chanthamat, Politburo member of the LPRP CC [Lao People's Revolutionary Party Central Committee], head of the party CC's Propaganda and Training Board, yesterday received here the visiting delegation of the Vietnamese Party's organ "NHAN DAN".

Mr. Somlat Chanthamat welcomed the delegation led by Mr. Huu Tho, member of the Communist Party of Vietnam [CPV] Central Committee, editor-in-chief of NHAN DAN. Mr. Somlat Chanthamat hoped that the visit would contribute to the consolidation of the relations of friendship and special solidarity between the two countries and particularly between the organs of the two parties.

Mr. Huu Tho informed his host about changes taking place in the past few years in Vietnam and the initial success in the implementation of the resolution of the seventh congress of the CPV.

Mr. Huu Tho and his delegation if invited by the editorial board of the Lao party's organ "PASASON." [sentence as received] During the visit ending today, the Vietnam delegation had programs to meet with Mr. Khamsai Souphanouvong, member of the party CC, deputy minister of economy, planning, and finance, Mr. Siho Bannavong, deputy mayor of Vientiane.

The delegation also visited some economic and cultural sites in Vientiane capital and Province.

People's Army Delegation Visits Vietnam

BK2410045692 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 24 Oct 92

[Text] On 20 October, a delegation of the General Political Department of the Lao People's Army [LPA] led by Lieutenant General Osakan Thammatheva, chief of the LPA General Political Department and deputy minister of national defense of the Lao People's Democratic Republic, began a working visit to leaders of the Vietnamese People's Army General Political Department.

The two sides exchanged views on the situation in their countries in connection with the cooperation between the general political departments of the two countries' people's armies over the past period. They concurred that, in the future, they need to further improve the exchange of assistance to each other in both party and political activities and, at the same time, to educate and train all the cadres and combatants to respect, protect, and intensify the spirit of special solidarity between Vietnam and Laos.

On 21 October, the Lao delegation was accorded a cordial welcome by General Doan Khue, minister of national defense of the SRV.

Masses' Social, Economic, Political Works Noted

BK2310121292 Vientiane KPL in English 0902 GMT 23 Oct 92

[Text] Vientiane, October 23 (KPL)—Mr. Maichantan Sengmani representing the Political Bureau of the party Central Committee, on October 22, gave a lecture on the party's draft resolution on the participation of the organizations of the masses in political, social, and economic activities in the society.

Mr. Maichantan Sengmani talked to cadres and representatives from various ministries, provincial and district party secretaries, and representatives of mass organizations about the party's draft resolution on the masses' role in fulfilling the party's socioeconomic and political activities in the new stage. [passage indistinct]

On the same occasion, participants in the meeting would also exchange views on how the draft could be improved.

Philippines

Ramos Welcomes U.S. Offer To Aid in Spratlys

HK2610074692 Manila DZXL Radio Mindanao Network in Tagalog 0621 GMT 26 Oct 92

[Weekly news conference by President Fidel Ramos with unidentified reporter at Malacanang Palace, Manila—live; in English]

[Excerpt] [passage omitted] [unidentified reporter] Mr. President, good afternoon.

[Ramos] Good afternoon.

[Reporter] There have been reports of a build-up by Malaysia and other countries in the Spratlys Islands. Is the Philippines prepared to meet any threat to our country's defense in the Spratlys region?

[Ramos] We are not aware of any such build-up. Now, the Philippines has been committed to a policy of the modernization of the Armed Forces of the Philippines; but that modernization involves our being able to protect our borders and protect our nationals within those borders.

Secondly, the Philippines is also committed, together with the other ASEAN countries as well as ASEAN's dialogue partners, to the peaceful settlement and the peaceful joint development and exploitation of the resources within the South China Sea, including this so-called Spratlys.

[Reporter] Ambassador Solomon of the United States has reportedly said that America will come to the aid of the Philippines if we are engaged in a war in the Spratlys. Have you...?

[Ramos, interrupting] I welcome that offer. I welcome that interpretation.

[Reporter] Thank you, sir. [passage omitted]

Ramos Orders Camp John Hay Facilities Recovered

HK2610025392 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 25 Oct 92

[Text] President Fidel V. Ramos has ordered Defense Secretary Renato de Villa and Justice Secretary Franklin Drilon to conduct a study on how the Philippines can recover two facilities inside Camp John Hay from the United States. The president issued the order after approving the privatization of John Hay. Ramos also told De Villa and Drilon to finish the job within five days and make the necessary recommendation on recovering the facilities.

Developments show that the two facilities, which cover a total area of 64 hectares, were not among those returned to the Philippines by the United States.

Approves Development Program

HK2610070892 Manila THE CHRONICLE in English 26 Oct 92 p 6

[Report by Booma Cruz]

[Text] Baguio City—President Ramos approved Saturday night [24 October] the framework for the development of Camp John Hay, which would divide the former U.S. recreational facility into 10 clusters for privatizational purposes.

A member of the Camp John Hay advisory council who refused to be named said the new concept approved by the President would hasten the privatization and give Baguio businessmen a chance to invest in the camp. He said the old program, which called for no less than P800 million [Philippine pesos] in investments, was scrapped because privatizing the facility as one big investment area has proved to be very difficult.

A Camp John Hay Development Corporation, to be created through an executive order, will implement the approved framework of development. Baguio City officials and businessmen will be represented in the firm regardless of the amount of their investments.

Only 100 ha [hectares] will be open for development since officials want to maintain the watershed of the 690-ha camp.

A 250-room hotel and non-operation of the casino is part of the framework's vision for the camp.

The advisory council member said the privatization of the facility would be open to foreign investors but Filipino business groups would be given the priority. He added that no less than eight big business groups have already expressed interest in the project, including Japan Airlines, Ayala Corporation, Pathfinders and businessmen from Taiwan and Malaysia.

Mr. Ramos reportedly expressed his desire to speed up the privatization of John Hay in view of substantial government losses in its daily operations. Duty Free Philippines was supposedly subsidizing the camp's operation at a cost of P3 million a month.

The advisory council member said John Hay must make P100,000 a day to break even. He added that the U.S. government was also incurring losses when the camp was still under its care.

Camp John Hay gets a federal allocation of $1.5 million a year for maintenance of the recreational complex for U.S. military personnel. But the U.S. government, the council member added, did not consider it a "loss" since its maintenance was part of the country's military budget and not a "business" venture.

Aquino Administration Reportedly Hid Corruption

HK2610024592 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 25 Oct 92

[Text] A former cabinet official revealed that the Aquino administration, in order to protect itself, covered up reports by the National Bureau of Investigation [NBI] implicating several members of the police and military in criminal activities.

Associate Justice Eduardo Montenegro of the Court of Appeals said that, had these anomalies been revealed during the Aquino administration, the results of the elections would have been different and Ramos would not have become president. Montenegro added that one report which could have marred the Aquino administration's reputation was the NBI's discovery of three generals conniving with criminal elements.

Signs of Return of MNLF Leader in Sabah

HK2510015092 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 24 Oct 92

[Text] The arrival of an elite group of the Moro National Liberation Front [MNLF] in Sabah recently may be a sign that MNLF Chairman Nur Misuari will return soon to start negotiations with the government to peacefully end the Muslim secessionist problem in Mindanao.

According to intelligence reports gathered by DZRH News, the group armed with high-powered firearms was sighted in Mariki, Rio Hondo, Sabah, on 9 Oct.

The report did not identify who was leading the group, although it said this could be Misuari's advance party.

Misuari, who has been living in Saudi Arabia and Libya, had earlier agreed to participate in the peace talks with the government as part of the peace initiatives of President Fidel V. Ramos. But Misuari requested that the talks be held outside the Philippines and under the auspices of the Organization of Islamic Conference.

This was rejected by the government, saying Misuari has to come home if he is serious in seeking peace with the government.

Ramos, Malaysian Minister Discuss AFTA

HK2310024692 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 22 Oct 92

[Text] The Malaysian trade minister has warned ASEAN members against the possible delay of the implementation of the ASEAN Free Trade Area [AFTA].

Malaysian Trade Minister Rafidah Aziz said that ASEAN-member nations should not let insignificant issues impede the implementation of AFTA. Aziz expressed dismay over the postponement of AFTA's second council meeting two days ago.

The ASEAN ministers are expected to reach a decision in the next two days on major proposals for the enforcement of a common, effective preferential tariff scheme.

Meanwhile, President Fidel Ramos has challenged the ASEAN to implement a program to manage a free trade area such as has been established in some parts of the world.

The president issued the challenge in his speech before the 24th ASEAN Ministers Meeting. The president added that it is about time the ASEAN established its own free trade area.

Accord With Indonesia To Fight Sea Piracy

HK1610062992 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 16 Oct 92

[Text] The Philippines and Indonesia have signed an agreement that will minimize if not prevent sea piracy along the boundaries of Philippine territorial waters. According to the accord, the Indonesian Navy will have automatic access to Philippine territory in pursuit operations against sea pirates.

It has been reported that sea pirates have been ambushing foreign and local ships along the Philippine territorial boundary and have been robbing them of their cargo.

Recently, an Indonesian vessel, identified as JRI Banuati, was hijacked and burned—and its 27 crew members forced to jump overboard—to prevent three Indonesian Navy vessels from pursuing the pirates. Thanks to the mutual agreement, the Indonesian Navy was able to save the 27 crew members, though it failed to catch the pirates.

For its part, the Philippine Navy is stepping up its search operations for the pirates. According to Consul Yusmar Jiamil from the Indonesian Embassy, the 27 crew members are now safe and have returned to Indonesia. Jiamil added that, because of the accord, the Indonesian Navy will be able to help prevent sea piracy along the Philippine territorial waters.

Army Reports MNLF Leader, 11 Members Surrender

HK2110100392 Manila MANILA BULLETIN in English 21 Oct 92 pp 1, 25

[Text] The Philippine Army announced yesterday the surrender of a leader of the Moro National Liberation Front (MNLF) and 11 of his followers with high-powered firearms to the elements of the 1st Infantry Division in Zamboanga del Sur. Brig. Gen. [Brigadier General] Raymundo Jarque, acting chief of the Philippine Army, identified the surrenderee as MNLF leader Sadec Malaco, alias "Kumander [commander] Kanlaon 2," who said that he and his 11 armed followers were availing of the government's amnesty program.

Malacao was tagged by the military as the head unit of the MNLF Border Revolutionary Committee Area. Jarque said that the MNLF rebels turned over to the military a US Garand rifle; two Springfield rifles; two Carbine rifles; five grenade launchers and eight magazines of Carbines. Jarque said that they also wanted to avail of the government's "Balik-baril [Back-to-guns]" program and possibly be appointed as "Bantay-bayans [Nation's Sentries]" or members of the CAFGU [Citizens Armed Force Georgraphical Unit] in their place in Dimataling, Zamboanga del Sur.

In a related development, Brig. Gen. Romeo Padiernos, chief of the Armed Forces civil relations service, said that several rebel groups were being influenced by the reported willingness of top National Democratic Front (NDF) leaders to assume a more constructive role in national affairs. Padiernos said that the willingness of NDF leader Satur Ocampo to work for reforms within the democratic framework "is at least a fresh and welcome sight for everyone."

"They may just be testing the waters after their sorry experiences with armed struggle," Padiernos said, referring to the rebel movement's initial reaction to President Ramos' unification efforts. The President ordered the release of Ocampo, a former newsman turned communist rebel, from military detention as part of his unification drive.

Rebellion Charges Against Rebel Officer Dismissed

HK1610063592 Manila MANILA STANDARD in English 16 Oct 92 p 12

[Report by Ed Mahllum]

[Text] The Quezon City regional trial court yesterday ordered the dismissal of the rebellion charges against ex-Constabulary Col. Reynaldo Cabauatan, one of the leaders of the Aug. 28, 1987 coup attempt, due to the failure of the prosecution's witnesses to appear before the court.

Judge Tirso Velasco of branch 88 said State Prosecutor Reynold Yanez, Assistant Chief State Prosecutor Aurelio Trampe and their witnesses failed to appear despite notices sent to them.

"This court is compelled to grant the order of dismissal of the charges against Cabauatan filed by the counsel of the accused, Tiberio Prado," Velasco said.

Present during yesterday's court trial were Prado, Cabauatan and Assistant Trial Prosecutor Arturo de los Reyes.

Velasco denied De los Reyes' request that the prosecution be given one more chance to present its evidence, saying he remembered Trampe's testimony that the prosecution's witnesses could no longer be located.

Velasco also ordered the release of the accused military officer from the PNP [Philippine National Police] custodial jail, unless he is being held for other charges.

The government filed the rebellion charges before the court last July 18, 1990 against Cabauatan, ex-Brig. Gen. Jose Maria Zumel, and cashiered Lt. Col. Gregorio "Gringo" Honasan, for allegedly taking up arms against the government and attacking camp Aguinaldo, Malacanang and other military and government installations during the 1987 coup attempt.

Trampe filed the charges against the rebel military officer after finding reasonable grounds for his indictment.

Cabauatan, who was responsible for the formation of the so-called Nationalist Army of the Philippines which recruited members of the military to the rebel cause, was arrested in 1989 by AFP [Armed Forces of the Philippines] counter-intelligence operatives along Roxas blvd. in the company of a starlet.

Edelmiro Amante Appointed Executive Secretary

HK2110122492 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 21 Oct 92

[Text] The Commission on Appointments has approved the appointment of Congressman Edelmiro Amante as the new executive secretary. Amante's appointment was approved by all the members of the 12-man commission. The commission members said Amante had all the qualifications of an executive secretary and has an outstanding record in public service.

Amante was the representative of Agusan del Sur to the Congress prior to his appointment by President Ramos. Amante takes the place of former Executive Secretary Peter Garrucho, who earlier resigned from the post.

Ilocos Offers Land Grant to 'Returnees'

HK0910053892 Manila PHILIPPINE DAILY INQUIRER in English 9 Oct 92 p 24

[Report by Mayet Virrey Romero]

[Text] Laoag City—The call for reconciliation in Ilocos Norte has been sweetened with the offer of a three-hectare land grant coupled with employment assistance to each rebel returnee, according to PNP [Philippine National Police] regional director Romeo Maganto.

The land grant, Maganto said, is an "irresistible" component of the reconciliation offer and is apart from the P8,000 [Philippine pesos] financial and other assistance for returnees under the Department of Social Welfare and Development program.

"No other province has come out with this kind of offer," Maganto stressed. He said that 900 hectares of arable land in Bangui and Burgos towns have been set aside for the purpose.

Maganto claimed that the reconciliation effort is gaining ground and that about 27 returnee applications for the land grant are currently being processed. He is confident insurgency can be wiped out from the Ilocos under his command "given a little more time."

On the PNP Hour, a program hosted and produced by the PNP over two radio stations in the city, Maganto allayed apprehensions that rebel returnees are severely dealt with.

Thailand

U.S. Ties Under Clinton Administration Assessed

BK2610041192 Bangkok THE NATION in English 26 Oct 92 p A6

[By Kawi Chongkitthawon]

[Text] With Democrat Bill Clinton as president, pressure from the United States on Thailand over trade issues will accelerate and Washington's security interest in the country's strategic value will be lessened, according to Thai Foreign Ministry officials.

To avert this imminent possibility, the officials suggested that Thailand must constantly engage in consultative dialogue in economic and security areas with the new US Administration so that "the United States will have an understanding perception of Thailand and the region as a whole".

"We have to make our voice known to Washington," said one official, who recently completed a tour of North America.

Like many Asian countries, Thailand is assessing its relations with the United States under the would-be president Bill Clinton.

The ministry's officials agreed to discuss future Thai-United States relations with The Nation on the grounds that they must not be identified.

They are confident that if Clinton is elected president, his administration has to continue the trend that President George Bush has been pursuing over trade policy and the refinement of United States strategy in the region.

"In the past few years under the Bush administration, Thailand along with other Asian countries has had to meet American expectations on trade issues," the same official said, adding that whoever takes the White House will take special care of the United States' trade interest.

He said Washington's demand on trade issues on Thailand, especially market excess, will increase with a Clinton administration, which will follow a tougher trade policy.

Last year, Thailand enjoyed a trade surplus of US$2 billion against the United States, which is still the country's largest export market. Thai exports to the United States comprised 22 per cent of Thailand's total export.

As a trade surplus nation, Thailand joins Japan, South Korea, Taiwan and China on the list of countries that need to open their markets to American goods or face US retaliation.

"With such a huge deficit, Washington expects Bangkok to do more," he said. "The United States has the right to demand that Thailand protect its intellectual property rights, pharmaceutical patents and market access for such American exports as cigarettes."

Washington has repeatedly threatened to cut off Thailand's export privileges, known as the generalized system of preferences (GSP), which allows Thai products to compete in the United States market.

Early October, the Bush administration deferred a crucial decision not to punish Thailand by slashing its GSP benefits—despite Washington's charge that Thailand's patent protection practices are "unreasonable and burden or restrict United States commerce"—saying that Thailand's political situation since March had prevented effective negotiations on the issue.

"You cannot expect the same treatment under the Democrat president Clinton," said another official, adding that certain sectors of Thai exports would certainly face retaliation from the United States, under Section 301 of the 1974 Trade Act.

Even though a Clinton administration would adopt stronger trade protectionist measures, the Thai officials said Clinton cannot afford to be isolationist as far as the economy is concerned as the United States economy is "globalized" with numerous foreign trading parties and agreements. In the past, they said, sending goods from New York to Chicago was considered "export".

Before the Chuan administration, the second Anan government intensified its attacks on the United States over its constant trade demands at a time when Thailand was undergoing crucial political changes.

Anan, along with five former Thai envoys to the United States, met in a closed-door brain-storming session in September to layout guidelines to conduct future Thai-US ties. They concluded that Thailand must rely on itself and should stop looking toward the United States for assistance, especially in trade areas.

The day he stepped down as foreign minister, Asa Sarasin, who is now heading Padaeng Industries, lashed out at the United States and warned any trade retaliation against Thailand at this particular moment would bring Thai-US ties to "a new level of deterioration".

Asa's strong words and attitude is increasingly shared by government officials who have to deal with the United States. The so-called "sense of realism" on Thai-US relations have come to grip Thailand's top echelons also.

This sentiment reflects growing Thai unhappiness with the United States' hard-handed and aggressive diplomacy.

Like the Anan Cabinet ministers, key economic ministers as well as the foreign minister in the Chuan government are not likely to budge when they head for negotiations with the United States under a Clinton administration.

While future Thai-US trade relations are not going to improve; the Foreign Ministry officials are confident that a Clinton administration will continue to engage the region's security and strategic matters.

One of the officials, who is acquainted with Clinton's security and foreign affairs advisers, said that if elected, Clinton will try to maintain the "balance of power" in Asia, particularly in the Korean Peninsula.

But Southeast Asia will be considered "a lesser emergency area" for a Clinton administration, the official said.

Clinton's foreign policy advisers, he said, are experienced Asia hands who know Asian leaders want the continued presence of US forces in the region. "Furthermore, Clinton has learned the lessons from the Carter administration that any drastic cut-back of United States military presence in the region could be dangerous," he said.

Given the new circumstances, it is crucial for Thailand to set up and improve on a dialogue mechanism with the United States that would increase bilateral consultations over security matters.

With the end of the Cold War and lessened regional tensions, Thailand's value to the United States' global strategic posture has decreased considerably. "Thailand needs lots of adjustments and improvements for itself, just like singapore," the same official suggested.

During the Cold War, Thailand used its strategic value of a "frontline state" as a leverage to bargain with the United States on trade privileges. All that has come to pass however, as the United States wants to cut back its defence budget and see more regional cooperation over security matters.

Washington's aid, military and economic, to Thailand has become insignificant now.

If need be, Thailand has to consider what it can do to keep the United States engaged in the region and to faciliate the implementation of such a policy. Emergency port calls and offers of repair facilities could be new areas for cooperation with the United States, he said.

Finally, the Thais believe that the tendency of Clinton and his party to link human rights and democracy in their bilateral relations would affect countries like China and Vietnam, which have questionable records on human rights and democratic values. With an elected government and ongoing process of democratization Thailand will not be affected by such linkage.

Paper Discusses Amendment of Patent Law

BK2410123592 Bangkok MATICHON in Thai 24 Oct 92 p 8

[Article: "If You Give an Inch, They Will Ask for a Yard"]

[Text] Thailand has eventually to amend the Patent Law of 1979, which means the law will extend the patent protection for food, beverage, medicine, drug ingredients, agricultural machinery, animals, plants, and biological products from plants and animals.

The Public Health Ministry has been requesting a four-year grace period to make necessary preparations for the protection of consummers prior to the enforcement of the amended legislation. However, the Commerce Ministry disagreed and successfully pushed the amendment of the law through the National Legislative Assembly during the Anan 1 administration. The newly amended law was published in the Royal Gazette on 3 April and became effective on 30 September.

Why must the Patent Law be amended?

There are two main reasons as follows:

1. Pressure from the United States. On 26 April 1991, the United States placed Thailand together with some other countries like India and China on its so-called Priority Foreign Council watch list for it believed that Thailand's trade practice was unfair and that Thailand did not give sufficient protection to its pharmaceutical products. The United States also threatened to punish Thailand with Section 301 and Section 301 (special) of the U.S. Trade Act if the latter refused to amend the Patent Law.

2. Thailand believes that the amendment of the Patent Law will lead to the end of the U.S. pressure and deletion of its entry in the watch list and save itself from the U.S.' retaliatory measures.

Is it true that the amendment of the Patent Law will stop the U.S. aggressiveness?

Technocrats from various private organizations disagree with the amendment of the law and have warned the government (Commerce Ministry) that "the amendment is not a guarantee against the U.S.' aggressiveness."

The sporadic release of news reports on the U.S. discontent over the issue seemed to effectively force the Commerce Ministry to run wild to seek negotiations with the United States. As anticipated, Thailand was once again, for a second year, put together with India and Taiwan on the Priority Foreign Country watch list on 30 April this year. The United States claims that Thailand still cannot effectively enforce its Patent Law, thus harming its movie, voice cassette, and computer software industries.

The United States, using the same old tactics to threaten Thailand, calls for the revision of the protection for U.S. pharmaceutical products by deleting certain clauses of the new Patent Law on the following issues:

1. Compulsory licensing.

2. The Pharmaceutical Patent Committee.

3. The extension of the safety monitoring period for drugs from 2 to 10 years.

If Thailand fails to respond to the ultimatum, the United States has planned to use the following retaliatory measures:

1. Total removal of Thailand's exports from the Generalized System of Perferences [GSP].

2. Partial removal of Thailand's exports from the GSP.

3. Other retaliatory measures (other protectionist practices such as tax barriers against Thai products).

What is the safety monitoring period for pharmaceuticals? Why does the United States want to expand the said period from two to 10 years?

In the past, protection for pharmaceutical patents was administered in the form of a safety monitoring period for pharmaceuticals.

The longer the period is expanded, the better medical personnel will remember the trade mark of the products (brand royalty). Apart from sale promotion campaigns, medical personnel realize that the expansion of the period leads to monopolization. The longer the period, the more the products are extensively recognized.

However the consequences of the matter can be felt only in a limited manner within medical circles, such as medical schools and universities. The report on the research work by Wimon Anansakunwat (1988) reveals that "the majority of physicians prescribe drugs by following the patterns of their college professors."

If Thailand agreed to expand the safety monitoring period from two to 10 years, it means we would agree to provide up to 10-year retroactive protection to pharmaceutical products as demanded by the United States.

How will agencies retaliate against the United States?

We have learned from past experience that pressure imposed on our country by the United States can be very painful and we do not know how many more laws have to be revised to satisfy the United States.

Thailand must rely on multilateral, not bilateral, trade negotiations in this regard.

The Commerce Ministry, being responsible for the amendment of the Patent Law, must be firm on what it has done in the past. It must not act only when the United States takes action. Due to the United States' never-ending discontent and harassment, the Commerce Minister is always busy and has no time left to think of developing the Intellectual Property Department so as to enable it to spefically handle negotiations with the United States.

The department was established a few months ago to work with all laws pertaining to intellectual property. Its work is now only concentrated on gathering information on patent protection and patent violation. However, the Commerce Ministry relies mostly on the information it receives from Australia's patent information center.

The Public Health Ministry has repeatedly stressed that it needs four years to make preparations for the protection of consumers. It is hoped that it will not yield to demand for the protection of the pharmaceutical patent under the disguise of the expansion of the safety monitoring period from two to 10 years simply because the United States argues that it is unable to provide samples for testing purposes within two years. Meanwhile the consumer protection mechanism is still unavailable.

What the Public Health Ministry must do is encourage the new government to amend the Patent Law to meet international standards, making necessary preparations for consumer protection, and not yield to the U.S. demand for the expansion of the safety monitoring period. The people are closely watching the Public Health Ministry to see if it is really determined to defend the interests of consumers.

'Comprehensive' External Strategy Urged

BK2510043892 Bangkok THE SUNDAY POST in English 25 Oct 92 p 22

[From the "From the Editor's Desk" column by Phaisan Sicharatchanya: "Comprehensive Plan Needed To Integrate Into Vietnam Market]

[Text] Now the first round of political uproar over the policy-statement debate has subsided, the Government of Prime Minister Chuan Likphai should be able to start serious administration of state affairs.

The Government has to tackle a number of pressing matters right away: Presentation and adoption of the fiscal 1993 budget (the disbursement of which should have started almost a month ago), a speedy resolution to how the controversy surrounding the May bloodshed should be handled, and the revival of investment and tourism, to name a few.

But the Government should also move swiftly to formulate and implement a comprehensive external strategy to extract maximum gain for Thailand from the rapidly changing conditions in Southeast Asia.

Those monitoring developments at the ASEAN economic ministers' meeting in Manila last week could probably breathe a sign of relief now that Thailand has managed to iron out its differences with other ASEAN states and is moving ahead with the others to start cutting tariffs on January 1, as the first step towards the creation of an ASEAN Free Trade Area (AFTA) in 15 years time.

However, there is another equally important matter in the context of regional economic integration where Thai attention and action is lacking: the potential to capitalise on large trade and investment opportunities in Vietnam. Preparations should start now, otherwise Thailand will be lagging further behind other regional players.

The conventional wisdom in Hanoi today is that the Vietnamese economy should begin the first phase of a major take-off next year. This anticipation is premised on growing speculation that the US economic embargo on Vietnam imposed since the Americans were defeated in 1975, may be lifted within the first half of 1993.

The US embargo imposes a tight stranglehold on the Vietnamese economy since it has prevented funding from multilateral sources such as the World Bank or substantial bilateral aid such as Japanese official development assistance (ODA). Lifting of the embargo, when it takes place, will be like opening the floodgates for such funding. Hence the expectations of an impending economic take-off.

The Vietnamese economy has slowly opened up since the communist regime's official adoption in 1986 of *Doi Moi*, the "renovation" policy. The introduction of Vietnam's first foreign investment law in 1987 has to date attracted a long list of foreign investment projects worth a combined US$3.8 billion in (committed) investment capital. It is almost certain Vietnam will be flooded with more investments when the US embargo is lifted.

Which reminds us of the famous policy initiated by former prime minister Chatchai Chunhawan in 1988 to turn the Indochina battlefield into a marketplace. That publicity blitz did quicken the peace process in Cambodia and have the effect of encouraging a hectic scramble into Phnom Penh by Thai businessmen, though their exploitative approach has left much to be desired.

But where Vietnam was concerned there was little concrete achievement in economic terms the Chatchai administration could speak of by the time it was ousted in the February 1991 coup. The record of performance by Thai businessmen and investors to date has also been dismal.

Official Thai-Vietnam trade remains insignificant against the continuation of apparently large-scale smuggling. Thailand is also quite low on the list of foreign investors in Vietnam, having committed 27 projects worth only US$62 million.

It is ironical that Thailand's ASEAN partner Singapore, which at times was even more vocal than this country in condemning Vietnam's occupation of Cambodia in the past decade, has aggressively expanded its trade ties in recent years and now emerges as Vietnam's biggest trading partner (total Singapore-Vietnam trade this year is estimated at about US$1 billion).

In the meantime, investors from Northeast Asian countries such as Taiwan and Hong Kong have penetrated Vietnam in force, now topping the list of foreign investors there. Chatchai's well-publicised gameplan to turn Bangkok into a gateway for Indochina now rings hollow, as Vietnam opens new aviation routes to other regional stops.

Why has the Thai record been so disappointing? Complaints have been heard from Thai diplomats and businessmen about the investment risks in Vietnam, inadequate infrastructure and unclear laws. But surely the businessmen from other countries that fare better today have been operating under the same Vietnamese criteria.

Negative comments on lingering suspicion against Thailand among some Vietnamese authorities over the two countries' past animosity appear to be nullified by the fact that a (small) number of Thai investors have already invested there.

Clearly the process of trust and confidence building by both sides will have to continue. The fundamental conditions that shaped the original prospect four years ago of economic integration between Thailand and Indochina remain largely unchanged today, and it is to the mutual benefits of both sides to see this prospect materialise.

Geographical proximity is one key factor. Given its economic and industrial status, Thailand can supply the right kind of capital and technology required by Vietnam. Certain simple, labour-intensive industries here can be relocated there and the manufactured products from both places can sypply the Vietnamese market or be exported. In return, Thailand needs Vietnamese raw materials and resources to help sustain its next phase of industrialisation.

Vietnam will have to do its part. Streamlining of its bureaucratic red tape, overhauling its outdated legal structure, and a serious "renovation" of its entire government machinery will facilitate more investment flows not only from Thailand but from other countries as well.

The Thai side also has to do some serious preparations. Against business complaints of insufficient support from the government in the past, Thai businessmen also neither did their homework nor were prepared to go in for the long haul.

What is needed is a comprehensive strategy combining both government and private-sector efforts to integrate into the Vietnamese market in a systematic way.

Longer-term investments aside, Bangkok's immediate and medium-term aim should be directed at supplying a fair share of Vietnam's huge demand for construction materials and medium-grade technology products which will be needed for a long list of large-scale infrastructural projects to upgrade its antiquated infrastructure. These projects have already been drawn up in anticipation of the US embargo being lifted next year when foreign development assistance will flow in.

Change to Copyright Law Under Consideration

BK2610024392 Bangkok BANGKOK POST in English 26 Oct 92 p 21

[Text] An amendment to the Copyright Law could be made to authorise the police to investigate cases of copyright piracy without a petition from the copyright owner.

Intellectual Property Department (IPD) Deputy Director-General Yanyong Phuangrat said the amendment was probably being considered by the copyright working group chaired by IPD Director-General Phiphat Intharasap.

The amendment was essential because police were not making arrests or seizing pirated goods in many of the rampant cases of music and video tape piracy because they had not received a complaint. The amended law would be identical to the patent and trademark laws which allowed the police to take legal action without a complaint.

The amendment would also cover computer software because the Juridical Council had decided that computer software needed protection, Mr Yanyong said.

He said the new law may be introduced to protect the original producers of goods and to prevent other foreign producers from claiming their goods are from similar sources.

The idea of protecting the origin of a product was raised by France at the General Agreement on Tariffs and Trade (GATT) meeting because many of its generic product names, such as Champagne and Cognac, had been used by producers in other countries.

"It is just an idea but it needs more detailed discussion before introducing the law," Mr Yanyong said.

Foreign Minister on Cambodia Issue, Laos Policy

BK2410052492 Bangkok MATICHON in Thai 24 Oct 92 p 2

[Text] On 23 October, Squadron Leader Prasong Sunsiri, minister of foreign affairs, attended a meeting to observe United Nations Day at the UN Building in Bangkok. Speaking on the occasion, the foreign minister said the new world order is essentially outlined by the UN agenda for peace and the UN secretary general's proposals. He said the proposals are appropriate to the present time and their implementation requires courage on the part of the member countries.

Concerning the peace process in Cambodia, the foreign minister said Thailand will provide its fullest cooperation to the UN Transitional Authority in Cambodia, adding that the repatriation of Cambodians will be completed before the general election in Cambodia scheduled for the middle of 1993. Regarding Prince Sihanouk's references to Thailand and Japan regarding the Khmer Rouge, Prasong said Thailand has given the Cambodian problem its best effort but success does not depend on Thailand alone. There are other factors, including the Cambodians themselves. Thailand can only provide certain types of support that would facilitate solving the problems. Thailand wants a durable solution in Cambodia because an incomplete peace would not benefit Cambodians, the neighboring countries, or the region.

Regarding the deportation of Lao General Vang Pao's brother, the foreign minister said it is Thailand's policy not to allow foreign forces to be located on its territory.

Endorses 'Constructive Engagement' With Burma

BK2410023092 Bangkok THE NATION in English 24 Oct 92 p A1

[Text] Foreign Minister Prasong Sunsiri said yesterday Thailand would continue its policy of "constructive engagement" with Burma and would try to assist in the development of neighbouring countries. He said, however, that there remained the possibility of reviewing and adjusting the policy in view of changing world situations and circumstances.

Prasong's comments contradicted the stance he took during the election campaign in August when he said Thailand should review its constructive engagement policy with Burma and "should give moral support to the people of Burma who fought for democracy". He also mentioned at that time that only a handful of powerholders in Burma supported the country's junta.

His statement yesterday came a week before he and foreign ministers of the five other ASEAN nations are to meet and hold talks with their counterparts from the 12-member EC, which has been urging Thailand and ASEAN to review and adjust its constructive engagement policy with Rangoon and to play greater role in political reform in Burma.

Asked if he would pursue the previous government's policy of constructive engagement with Burma, Prasong said: "I only want to say that there will be no change in bilateral relations."

Just like good friends who help each other, Thailand will help Burma to improve its image in the world community's eyes, he said. Thailand, he said "is in the position to help its neighbours develop into strong nations with recognized status in the international community."

The minister said any review and adjustment of the present policy would depend on the circumstances, and that Thailand must always adjust its stance to reflect international politics.

"Everything (any change in the policy) depends on the situation and circumstances. We need to adjust ourselves to new international situations all the time. But the change must not damage our ties," he said.

"In principle, (the policy of constructive engagement) is good. But the scope and the approach should be adjusted to conform with the changing situation.... We cannot afford to live alone, and thus there is a time when we need to review all these factors and see how we can improve upon them."

Vietnam

Bush Fails To Clarify U.S. Intent on Ties

BK2510091692 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 24 Oct 92

[Text] U.S. President Bush said recently that the new progress made by the United States and Vietnam on the POW-MIA issue is an indication of a new breakthrough in relations between the two countries. President Bush, however, did not elaborate on whether the United States is ready to normalize relations with Vietnam.

PRC Declines To Attend Border Talks

BK2610040892 Hong Kong AFP in English 0404 GMT 26 Oct 92

[Text] Hanoi, Oct 26 (AFP)—China has turned down an invitation to a new meeting of experts here to discuss its various territorial disputes with Vietnam, pleading lack of time, a reliable Vietnamese source said Monday.

The meeting was to have been held here Monday, other sources had said Sunday.

The work should have begun this week but China found the timing inappropriate, the source said.

However, a Chinese delegation is due here to lay the groundwork for a visit to Vietnam by Chinese Premier Li Peng that may take place in late November.

A meeting of experts, the first since the two countries normalized relations last November, was held October 12-17 in Beijing, with the toughest talks focussing on the disputed Spratly and Paracel island groups in the South China Sea.

Renewed tension between the two sides over the Spratlys arose early this year, upsetting other countries in the region, including Taiwan, Brunei, the Philippines and Malaysia—which also lay claim to all or part of the archipelago.

The scattered group of islands and coral reefs is potentially rich in oil and natural gas and lies across international maritime routes.

Beijing and Hanoi also dispute the boundaries of their maritime economic zones in the Tonkin Gulf and their common land border.

Officials Claim PRC Border Encroachments

BK2610043292 Hong Kong AFP in English 0324 GMT 26 Oct 92

[By Pascal Mallet]

[Text] Lang Son, Vietnam, Oct 26 (AFP)—"Watch out for mines," shouts the Vietnamese officer at anyone rummaging around at the foot of a stone boundary marker supposed to delineate the frontier with China.

Despite the warning, it is still possible to make out the words "Sino-Annamese Frontier" on the stone—one of more than 300 set up by the French colonialists more than a century ago along the length of the 1,000-kilometre (625-mile) border with China's Yunnan Province and Guangxi region.

During the Sino-Vietnamese border war of 1979—launched by Beijing to "teach a lesson" to Hanoi for invading Cambodia and toppling the Chinese-backed Khmer Rouge—Chinese troops advanced 20 kilometres (12 miles) across the border, virtually destroying the town of Lang Son.

Before withdrawing, they moved some of the stones. In some places, according to the Vietnamese, this changed the border by up to several hundred metres (yards), such as at Tan Thanh, a mountainous gorge 20 kilometres (12 miles) to the northwest of Lang Son.

Hanoi demands that Beijing respect the treaties agreeing the border which were signed between imperial China and France in 1887 and 1895 and since recognised by the China of Mao Zedong and the Vietnam of Ho Chi Minh in 1952.

Vietnam's state frontier commission justifies its claims with French military maps and maritime charts. So as Paris once claimed the Paracel and Spratly islands in the South China Sea in line with Vietnamese historical tradition, so Hanoi now regards itself as the inheritor of these territories.

On this northern frontier, Vietnam has demanded the return of some 100 square kilometres (40 square miles) China has allegedly nibbled away by moving border stones, pushing peasants forward with the aim of better establishing its claims, or establishing military posts at strategic points.

Altogether 132 spots are contested. The normalisation of ties agreed between the two countries in November

1991, one month after the signing of the Paris peace agreement on Cambodia, has not led to the settlement of any of them.

The first bilateral discussions between experts from both sides were held from October 12-17 in Beijing. They are due to resume in Hanoi this week.

For Lieutenant Nguyen Van Dong, a moustachioed 34-year-old who heads the frontier guard at Tan Thanh, the cause is straightforward: "The Chinese practice the policy of the fait accompli."

"In August, we surprised some Chinese prospectors who pretended to be lost. The provisional agreement passed last year between the two countries stipulates that no mineral exploration can be carried out within 1.5 kilometres (about one mile) of the de facto frontier except with the prior authorisation of the two countries."

"Some Chinese are illegally farming 42 hectares (108 acres) in my sector," he said, adding, "The Chinese have also advanced their railway terminus into Vietnamese territory," without specifying how far.

At Lang Son, Hoang Ly, an official of the local people's comittee, said the Chinese frontier had also mysteriously advanced more than 100 metres (yards) at the Friendship Gate, the "international" gateway between the two countries which lies to the east of Tan Thanh.

But he added that 20 kilometres (12 miles) of railway linking Lang Son to the frontier, which had been blown up by the Chinese in 1979, had just been entirely rebuilt within the space of one year.

Now, apart from a station—which has not been built because the "cost of this is dear"—"everything is ready" for the line linking Vietnam and China to be reopened after 13 years of closure, Hoang Ly said.

Text of People's Organs of Control Law Issued

Part One

BK2310090192 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 13 Oct 92

["Part one" of the text of the Law on the Organization of People's Organs of Control passed by the Ninth National Assembly's first session on 7 October 1992—read by announcer]

[Text]**Chapter 1: General Clauses**

Article 1. The functions of people's organs of control are to oversee the implementation of law enforcement measures and exercise the right of prosecution as stipulated by the Constitution and law. The Supreme People's Organ of Control oversees the implementation of law enforcement measures by ministries and ministerial-level agencies, as well as by government agencies, agencies under the management of the local governments, economic units, social organizations, military units, and citizens. It also exercises the right of prosecution to guarantee a serious and uniform application of law enforcement measures. Local people's organs of control oversee the implementation of law enforcement measures by local authorities, economic organizations, mass societies, and citizens. They also exercise the right of prosecution in the localities under their charge. Military organs of control oversee the implementation of law enforcement measures and exercise the right of prosecution as stipulated by law.

Article 2. Depending on their functions, people's organs of control are dutybound to help safeguard the socialist legal system, the socialist regime, and the people's right of mastership; secure the property of the state and collectives; safeguard the lives, health, property, freedom, honor, and human dignity of citizens; and guarantee that all acts detrimental to the interests of the state and collectives, as well as to the legitimate rights and interests of citizens are dealt with to the full extent of law.

Article 3. People's organs of control oversee the implementation of law enforcement measures and exercise the right of prosecution through the following activities:

1. To oversee the application of law enforcement measures to guarantee the implementation of legal documents issued by ministries, ministerial-level agencies, government agencies, and agencies under the management of the local governments; as well as to oversee the observance of regulations and rules by state agencies, economic organizations, mass societies, military units, and citizens.

2. To oversee the implementation of regulations and rules governing the operations of investigation agencies and other agencies entrusted with investigation work.

3. To oversee the implementation of regulations and rules governing the adjudication work of people's courts.

4. To oversee the implementation of regulations and rules governing the execution of verdicts and decisions which have been reached by people's courts and have already come into effect.

5. To oversee the implementation of regulations and rules governing arrest, detention, and re-education.

6. To investigate into criminal activities defined under the Criminal Code.

Article 4. While performing their functions, people's organs of control have the right to issue decisions, lodge protests, and make suggestions or requests, and must bear responsibility before the law for all these measures. If the aforementioned measures vary with law, individuals who adopt such moves must be subjected to disciplinary actions or civilian liabilities depending on the nature and seriousness of their wrongdoings. Decisions, protests, suggestions, and requests made by people's organs of control must be seriously implemented by agencies, organizations, units, and citizens concerned as stipulated by law.

Article 5. Depending on their functions, people's organs of control are dutybound to make joint efforts with people's courts, public security forces, inspection organs, judiciary services, state agencies, the Vietnam Fatherland Front [VFF], mass organizations, and military units to prevent and crack down on criminals and law breakers; to increase public awareness of the need to know and observe law; to foster the professional ability of cadres; and to compile statistics on criminal activities and law violations.

Article 6. People's organs of control shall be headed by chief procurators. Chief procurators of lower-level people's organs of control shall be subjected to the leadership of chief procurators of higher-level people's organs of control. Chief procurators of local people's organs of control and military organs of control at all levels shall be subjected to the uniform leadership of the chief procurator of the Supreme People's Organ of Control.

Control committees shall be set up at the Supreme People's Organ of Control, people's organs of control in the provinces and cities under the direct management of the central government, and military organs of control at the central level and at military regions or at the corresponding level to discuss and decide on important issues based on the views of the majority as stipulated under the provisions of this law.

Article 7. The chief procurator of the Supreme People's Organ of Control shall be appointed, released from duty, or dismissed by the National Assembly at the recommendation of the president of the state, and must bear responsibility before and submit work evalution reports to the National Assembly. When the National Assembly is not in session, he/she must bear responsibility before and submit work evalution reports to the National Assembly Standing Committee and the president of the state, as well as answer questions raised by National Assembly deputies.

Deputy chief procurators of the Supreme People's Organ of Control and procurators of the Supreme People's Organ of Control shall be appointed, released from duty, or dismissed by the president of the state at the recommendation of the chief procurator of the Supreme People's Organ of Control.

Chief procurators, deputy chief procurators, and procurators of local people's organs of control; deputy chief procurators of military organs of control at the central level; chief procurators, deputy chief procurators, and procurators of military organs of control at military regions or at the corresponding level, and in the provinces and sectors; and investigators of people's organs of control shall be appointed, released from duty, or dismissed by the chief procurator of the Supreme People's Organ of Control.

Chief procurators of local people's organs of control shall be subjected to the supervision of people's councils at the same level; must be responsible for submitting reports to people's councils on the implementation of local law enforcement measures as well as on the performance of local people's organs of control to people's councils; and must answer questions raised by people's councillors.

Deputy chief procurators shall assist chief procurators in discharging their duties as suggested by chief procurators themselves. In case a chief procurator is absent, a deputy chief procurator shall be appointed by the chief procurator to oversee the operations of that people's organ of control.

Procurators shall discharge the duties assigned by their respective chief procurators as defined under the statutes for procurators.

Chapter 2: Overseeing the Implementation of Law Enforcement Measures Adopted by Ministries, Ministerial-Level Agencies, Government Agencies, Local Administrative Organs, Economic Organizations, Mass Societies, Military Units, and Citizens.

Article 8. Depending on their responsibilities, people's organs of control shall oversee the implementation of legal documents adopted by ministries, ministerial-level agencies, government agencies, and local administrative organs to deal with manifestations of law violations, bearing in mind the need to comply with the following points:

1. Legal documents adopted by the above-mentioned agencies must conform with the Constitution and the laws and resolutions adopted by the National Assembly, the regulations and resolutions adopted by the National Assembly Standing Committee, the orders and decisions issued by the president of the state, government resolutions and decrees, and the decisions and directives issued by the prime minister.

2. Uniform and serious steps must be taken to ensure that agencies, organizations, units, and citizens strictly implement law enforcement measures.

Article 9. In overseeing the implementation of law enforcement measures by agencies defined under Article 8 of this law, organizations, units, and personnel of people's organs of control have the following duties and powers:

1. To request agencies, organizations, and military units at the same or lower level, as well as grass-roots units under the direct management of higher-level units stationed in the localities to take the following steps:

a. To inform people's organs of control of law violations in agencies, organizations, and units under their supervision, as well as of the results of problem-solving methods.
b. To provide necessary documents and materials to initiate legal proceedings against law violations.

c. To investigate law violations uncovered in lower-level agencies, organizations, and units and keep people's organs of control informed of investigation results.
d. To clarify causes leading to law violations.

2. To request inspection agencies at the same level to probe into cases of law violations and keep people's organs of control informed of investigation results.

3. To request the state officials, employees of economic organizations and mass societies, military personnel, and citizens involved to answer questions and provide details about their law violations.

4. To directly oversee the application of law enforcement measures against agencies, organizations, and units which have shown indications of law violations or which have refused to comply with or have failed to satisfactorily meet the demands of people's organs of control mentioned under points 1 and 2 of this article. The agencies, organizations, units, and individuals involved must, within 30 days from the day on which a notice is served, comply with points 1, 2, and 3 of this article.

Article 10. 1. Once conclusive evidence of law violations has been established, people's organs of control must request state agencies, economic organizations, mass societies, military units at the same or lower level, grass-roots units under the direct management of higher-level units stationed in the localities to suspend the implementation, revision, or abolition of legal documents; put an end to or eliminate causes leading to law violations; and adopt disciplinary or administrative measures against violators. If there are indications of criminal activities, people's organs of control must initiate legal proceedings as stipulated under the Criminal Code.

In a case where an offense is defined by law, a lawsuit shall be filed and measures shall be taken as stipulated by law to ensure the recovery of assets and the compensation for losses caused by a breach of law.

The chief justice of the Supreme People's Organ of Control is vested with the authority to issue an edict ordering the suspension and redemption of unlawful actions that may entail serious consequences. He shall take responsibility before the law for his decision.

2. Responsible agencies, organizations, and units are responsible for answering appeals by the people's organ of control concerned as stipulated in point 1 of this article within 15 days of receiving the appeal.

In a case where a responsible higher-echelon agency, organization, or unit receives an appeal from a people's organ of control against the work of its subordinate, the deadline for answering this appeal is 30 days after receipt of the appeal.

If the responsible agency, organization, or unit does not agree with the contents of the appeal, it shall request the people's organ of control at the next higher echelon to look into this case. The recipient people's organ of control at the next higher echelon shall consider this case and give its answer within 30 days of receiving the request.

3. While excercising control over law enforcement, the people's organs of control shall request relevant agencies, organizations, or units to take precaution measures against law violations.

Article 11. The chief justice of the Supreme People's Organ of Control and the state inspector-general shall determine the specific scope of activity of each sector.

Chapter 3: Investigative Control Work

Article 12. The people's organs of control shall check to see if investigation agencies observe the law while carrying out their investigations and if other organs delegated with the duty of conducting investigations excercise their prosecution right. This is to ensure that:

1. All criminal acts be investigated and promptly dealt with. No offenders are allowed to go unpunished and there will be no innocent people wrongly prosecuted.

2. No innocent people will face arrest or temporary detention or have their citizen's right restrained or their lives, physical bodies, assets, freedom, honor, and dignity violated in an unlawful manner.

3. Investigations will be carried out in an objective, comprehensive, complete, and accurate fashion in accordance with the law. All violations of the law during the course of an investigation shall be promptly detected and overcome and sternly dealt with.

4. Any decision on the criminal responsibility of a defendant will be based on firm grounds and shall be carried out in accordance with the law.

Article 13. When excercising its investigative control, the people's organ of control concerned shall have the following duties and powers:

1. Check denunciations and investigative work of the investigation agency concerned.

2. Settle disputes over investigative powers.

3. Ratify or refuse to ratify decisions by investigation agencies as stipulated by law; decide to change or abrogate preventive measures or decisions that run counter to the law by investigation agencies.

4. Request the investigation agency concerned to do away with any breaches of law during its course of investigation; request the leader of the investigation agency concerned to replace and sternly deal with those investigators found violating the law while conducting an investigation. If the activities of the investigator concerned bear any sign of crimes, criminal proceedings shall be brought against him.

5. Decide to prosecute defendants and to suspend or temporarily suspend an investigation.

6. Request responsible agencies, organizations, or units to take preventive measures against crimes.

Article 14. Investigative agencies are responsible for implementing various requests and decisions of the people's organ of control concerned as stipulated in the Law on Criminal Procedures.

Chapter 4: Adjudication Control

Article 15. The people's organs of control shall check to see if a court of law observes the law in implementing its adjudication work and shall excercise its prosecution right to ensure that adjudication activities are carried out in accordance with the law and in a stern and timely fashion.

Article 16. When excercising control over the adjudication of a criminal case, a people's organ of control has the following duties and powers:

1. Excercise its prosecution right with the people's court at the same level.

2. Ask the people's courts at the corresponding or lower levels to surrender the files of those criminal cases needed for adjudication control.

3. Under procedures for appellate adjudication, magistratical judgement, and retrials, appeal against conviction methods and rulings by people's courts as stipulated by the Law on Criminal Procedures.

Article 17. When exercising its control over the settlement of civil lawsuits and other issues as stipulated by law, a people's organ of control shall have the following duties and powers:

1. Check the methods of compiling a file for a court case; ask the people's court concerned to investigate or conduct an investigation by itself into those matters which need to be clarified to scrupulously resolve a court case.

2. Initiate civil lawsuits as stipulated by law; participate in court trials on various cases initiated or appealed against by the people's organ of control concerned. As for other lawsuits, the people's organ of control concerned may participate in legal proceedings at any stage when it deems necessary.

3. Request the people's court at the corresponding level to take temporary emergency measures as stipulated by the law.

4. Issue an appeal under procedures for appellate adjudication, magistratical judgement, and retrials against a court verdict or a ruling by relevant people's courts as stipulated by the law on civil proceedings.

Article 18. When excercising adjudication control, the people's organ of control concerned shall request the relevant people's court at the corresponding or lower level to do away with any breaches of the law it may have in its adjudication process and shall ask those agencies, organizations, and units concerned to take preventive measures against crimes and law violations.

Chapter 5: Control Over the Execution of a Court Sentence

Article 19. The people's organs of control shall check to see if the law is observed by people's courts, sentence enforcement organs and law officials concerned, and those agencies, organizations, units, and individuals having to do with the execution of a court sentence or with a ruling already put into force by a people's court. This is to ensure that this court sentence or ruling is carried out in accordance with the law and in a complete and prompt fashion.

Article 20. When excercising control over enforcing a court sentence, the people's organ of control concerned shall have the following duties and powers:

1. Request the people's courts and sentence execution organs at the corresponding and lower levels and responsible officials, and those agencies, organizations, units, and individuals having to do with the execution of a court sentence to:

a. Inspect the execution of a court sentence or a ruling which has been put into force by a people's court and then keep the people's organ of control concerned informed of the results of the inspection; and supply documents and evidence connected with the execution of a court sentence.
b. Execute a court sentence or a ruling which has already been put into force by a people's court.

2. Exercise direct control over the observation of the law by those sentence execution organs at the corresponding and lower levels and by other individuals responsible for executing a court sentence or a ruling which has been put into force by a people's court; and over the settlement of appeals, petitions, and denunciations against the execution of a court sentence.

3. File an appeal with the relevant people's court, the sentence execution organs at the corresponding and lower levels, and those officials, agencies, organizations, and units responsible for the execution of a court sentence, asking them to suspend the execution, revise, or cancel written orders, to end any breaches of law they may have while executing a court sentence, and to take disciplinary or administrative actions against those found violating the law. If there are any signs of crimes, criminal proceedings shall be initiated. Civil proceedings can also be initiated in cases where the law permits.

Article 21. The people's court, the sentence execution organ, officials in charge, and those agencies, organizations, units, and individuals having to do with the execution of a court sentence are reponsible for fulfilling those requests cited in point 1 under Article 20 of this law within 30 days of receiving the requests.

As for the appeal cited in point 3 under Article 20 of this law, the people's court, the sentence execution organ, officials in charge, and those agencies, organizations, units, and individuals concerned are responsible for giving an answer within 15 days of receiving the appeal.

Part Two

BK2410084592 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 14 Oct 92

["Continuation"—Chapters 6 and 7—of the text of the Law on the Organization of People's Organs of Control passed by the Ninth National Assembly's first session on 7 October 1992—read by announcer]

[Text] **Chapter 6: Control Over Detention and Reeducation.**

Article 22. People's organs of control exert control over the implementation of law enforcement measures by agencies, units, and personnel in charge of detention and reeducation to guarantee that the following requirements are met:

1. Detention and reeducation must be carried out as stipulated by law.

2. The detention and reeducation system must be strictly implemented.

3. In addition to the fact that they are not deprived of their rights, detainees and reeducation camp inmates also have their lives, property, honor, and human dignity protected by law.

Article 23. When exercising control over detention and reeducation, people's organs of control have the following duties and powers:

1. To directly conduct both regular and unexpected inspection tours at temporary holding facilities, temporary detention centers, and reeducation camps.

2. To check records and documents at agencies and units at the same or lower level which are in charge of detention and reeducation; and to meet with detainees and reeducation camp inmates and ask them about the conditions of detention and reeducation facilities.

3. To receive and settle complaints and denunciations relating to detention and reeducation.

4. To request agencies at the same or lower level which are in charge of detention or reeducation to check the conditions of their facilities and inform the people's organs of control of the inspection results.

5. To request agencies at the same or lower level and the officials in charge to report on the conditions of detention camps and reeducation facilities and respond to inquiries into measures or actions which are at variance with regulations governing detention and reeducation.

6. To decide on the release of those individuals who are illegally detained or have been rounded up for reeducation without sufficient evidence.

7. To request agencies at the same or lower level to suspend the execution, revision, or abolition of documents; put an end to law violations; and take action against violators.

Article 24. Agencies, units, and officials in charge of detention or reeducation must forward to the people's organs of control all complaints and denunciations lodged by detainees or reeducation camp inmates within 24 hours of receiving such complaints or denunciations. Regarding those requests mentioned under points 4 and 5 of Article 23 of this law, the agencies, units, and officials in charge must respond within 30 days of receiving such requests. Regarding those decisions mentioned under point 6 of Article 23 of this law, the agencies, units, and officials in charge must execute them immediately. If they disagree, they still have to comply with these decisions first and then may file complaints directly to the next higher-level people's organ of control. Chief procurators of the next higher-level people's organ of control must respond within 10 days of receiving such complaints. Regarding those requests mentioned under point 7 of Article 23 of this law, the agencies and units concerned are responsible for giving answers within 15 days of receiving such requests. If they disagree, they have the right to lodge complaints with the next higher-level people's organ of control, which, in turn, must respond within 15 days of receiving such complaints. The decisions of the next higher-level people's organ of control must be executed.

Chapter 7: The Organization of People's Organs of Control

Article 25. The system of the people's organs of control consists of the Supreme People's Organ of Control; the people's organs of control in the provinces and cities under the direct management of the central government; the people's organs of control in the districts, district capitals, and townships under the management of the provincial governments; and military organs of control.

Article 26. 1. The organizational structure of the Supreme People's Organ of Control consists of a control committee, departments, institutes, offices, training schools to help foster the professional ability of cadres in charge of the people's organs of control, and the Central Military Organ of Control.

2. The Supreme People's Organ of Control consists of a chief procurator, deputy chief procurators, procurators, and investigators.

Article 27. The chief procurator of the Supreme People's Organ of Control has the following duties and powers:

1. To direct the implementation of measures to help the Supreme People's Organ of Control carry out its functions and develop its strength in all fields; and to decide on issues relating to the control work not falling under the responsibilities of the Control Committee.

2. To promulgate decisions, directives, circulars, regulations, statutes, and operating procedures applicable to people's organs of control.

3. To direct and control the operations of the people's organs of control at all levels, as well as the various training activities aimed at fostering the professional ability of cadres in charge of people's organs of control.

4. To define the working apparatus of the Supreme People's Organ of Control and submit it to the National Assembly Standing Committee for decision; and to decide on the working mechanisms of local people's organs of control.

5. To direct the formulation and introduction of draft laws and draft regulations as stipulated by law; and to request the National Assembly Standing Committee to interpret the Constitution, laws, and regulations to ensure the uniform application of law enforcement measures.

6. To let the president of the state know about his/her personal views on amnesty requests for death row convicts.

7. To participate in government meetings to discuss issues relating to people's organs of control and also in the meetings of the Council of Judges of the Supreme People's Organ of Control to discuss ways to ensure the uniform application of law enforcement measures.

Article 28. 1. The Control Committee of the Supreme People's Organ of Control consists of a chief procurator, deputy chief procurators, and a number of procurators of the Supreme People's Organ of Control whose names are selected and submitted by the chief procurator to the National Assembly Standing Committee for decision.

2. The Control Committee of the Supreme People's Organ of Control meets under the chairmanship of the chief procurator to discuss and decide on the following important issues:

a. The orientations, tasks, and programs of action of people's organs of control as a whole.
b. Draft laws and draft regulations to be submitted to the National Assembly and its standing committee; as well as reports to be submitted by the Supreme People's Organ of Control to the National Assembly, the National Assembly Standing Committee, and the president of the state.
c. The working apparatus of the Supreme People's Organ of Control.
d. Requests and suggestions of the Supreme People's Organ of Control to the prime minister; reports submitted by the Supreme People's Organ of Control to the National Assembly Standing Committee to keep it informed of the chief procurator's disagreement with certain resolutions reached by the Council of Judges of the Supreme People's Court; and major criminal cases and other important issues raised by at least one-third of the total number of control committee members.

A resolution of the Control Committee must be supported by more than half of the total number of Control Committee members in order to have effect. In case the vote-count results in a draw, the chief procurator has the final say. If the chief procurator disagrees with the views expressed by most of the Control Committee members, the final decision belongs to the majority. The chief procurator may, however, report the issue to the National Assembly Standing Committee or to the president of the state.

Article 29. 1. The organizational structure of a people's organ of control in a province or city under the direct management of the central government consists of a control committee and bureaus and offices.

2. A people's organ of control in a province or city under the direct management of the central government consists of a chief procurator, deputy chief procurators, procurators, and investigators.

Article 30. 1. The control committee of the people's organ of control in provinces and cities under the direct management of the central government consists of a chief procurator, deputy chief procurators, and procurators. The procurators are appointed by the chief procurators with the approval from the chief procurators of the Supreme People's Organ of Contrl.

2. The control committee of the people's organ of control in provinces and cities under the direct management of central government holds its meeting under the chairmanship of the chief procurator to discuss and decide on the following important issues:

a. The implementation of work direction, duties, and planning of the local people's organ of control and directives, circulars, and decisions issued by the Supreme People's Organ of Control.
b. Reporting on the people's organ of control's work to the Supreme People's Organ of Control and reporting on the local legal enforcement situation and legal control work to the people's committee at the same level.
c. Other important issues regulated by the chief procurator of the Supreme People's Organ of Control.

The chief procurator of the people's organs of control in provinces and cities under the direct management of the central government decide on issues not included in the authority of the control committee.

A resolution of the control committee must be supported by more than half of the total number of the control committee members in order to have effect. In cases where the vote-count results in a draw, the chief procurator has the final say. If the chief procurator disagrees with the views expressed by most of the control committee members, the final decision belongs to the majority. The chief procurator may, however, report the issue to the chief procurator of the Supreme People's Organ of Control.

Article 31. 1. The working mechanism of the people's organs of control in districts, precincts, towns, and cities under the management of a province managed by the chief procurator, deputy procurators, and some procurators under the direction of the chief procurator.

2. The people's organs of control in districts, precincts, towns, and cities under the management of a province consists of a chief procurator, deputy chief procurator, and procurators.

Article 32. Vietnamese citizens who are loyal to their fatherland, have a sound ethical standing, legal knowledge, professional training in legal control and investigation, and a strong regard for the protection of the socialist legislation can be appointed as procurators or investigators. The practical requirements and selection procedure for the appointment of procurators and investigators to the people's organs of control in each level are regulated by the National Assembly Standing Committee.

Article 33. Salaries, allowances, identification cards, and uniforms of the people's organ of control sector are regulated by the National Assembly Standing Committee.

Article 34. The general table organization of the people's organs of control is outline by the chief procurator of the Supreme People's Organ of Control and presented to the National Assembly Standing Committee for approval. Based on the approved general table organization, the chief procurator is to decide on the staff level of the local people's organs of control and other organs directly subordinate to the Supreme People's Organ of Control.

Article 35. The operation budget of the people's organ of control sector is estimated by the government after consultations with the Supreme People's Organ of Control and then presented to the National Assembly for decision.

Last Part

BK2410091992 Hanoi Voice of Vietnam Network in Vietnamese 0800 GMT 14 Oct 92

["Continuation"—Chapters 8 and 9—of the text of the Law on the Organization of People's Organs of Control passed by the Ninth National Assembly's first session on 7 October 1992—read by announcer]

[Text] **Chapter 8: The Military's Organ of Control**

Article 36. The military's organs of control are organized in the armed force to oversee the observation of the laws of military organizations and units, soldiers, military workers, national defense staff, and other military related organs, organizations, and individuals and to implement the right of prosecution as stipulated by the law.

Article 37. The military's organs of control consist of the Central Military's Organ of Control, military organs of control in military regions or their equivalent, and military organs of control in provinces and zones.

Depending on the duties of the armed force in each period, the chief procurator of the Supreme People's Organ of Control is to collaborate with the minister of national defense in establishing the military's organs of control in military regions and their equivalent, and provinces and zones, and in setting up organization structure and staffing of the military organs of control.

Article 38. The Central Military's Organ of Control is an organ of the Supreme People's Organ of Control. The chief procurator of the Central Military's Organ of Control is deputy chief procurator of the Supreme People's Organ of Control, who has the duty to direct the activities of the the military's organs of control at all levels and is accountable for legal control work in the armed force to the chief procurator of the Supreme People's Organ of Control.

Article 39. Soldiers, military workers, and staff working at the military organs of control enjoy the rights and duties stipulated for people working in the armed force.

Article 40. The organization and activities of the military organs of control and supervision of the military organs of control activities are regulated by the National Assembly Standing Committee.

Chapter 9: Final Clause

Article 41. This law replaces the Law on the Organization of the People's Organs of Control promulgated on 4 July 1981. All previous stipulations at variance with this law shall hereby be rescinded.

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prepares for the U.S. counterproposals. If the United States develops an industrial policy that calls for serious action on economic reconstruction, then it will probably be necessary for us to assume a posture wherein we cooperate and assert ourselves logically, as appropriate. In that sense, we must be vigilant in monitoring whether the U.S. attempt at restructuring its industrial policy will produce its desired results.

* Impact of U.S. Election on Bilateral Relations

922A0386A Tokyo SHUKAN TOYO KEIZAI in Japanese 15-22 Aug 92 pp 58-62—FOR OFFICIAL USE ONLY

[Article by Toshio Obi, Columbia University chief researcher: "U.S.-Japan Relations Following U.S. Elections: Risks Even if Bush Wins"]

[Text] Perot's dropout has caused confusion in Clinton's election strategy. Overcoming his five Achilles' heels is an absolute condition for a Bush victory. Even if Bush is reelected, there is a risk of a fallout on U.S.-Japan relations from the election race.

The adage that an election is a matter of chance and the future is all darkness is universally true. This writer, who has analyzed the past six presidential elections (of which two were three-man races) on the scene, viewed the recent pro-Perot fever from the outset as a temporary phenomenon that ran the new U.S. trend, the recession, and the information revolution into the ground, and has therefore failed to evaluate it.

Upheaval in House of Representatives Needs Special Attention

The wall between the two major political parties is thick beyond imagination. On 3 November, more than 300,000 candidates fielded throughout the United States, including elections for the upper and lower chambers of Congress, state governorships, state assemblies, judgeships, and educational committees in addition to the presidential election, will be judged by the nation. Among the candidates, 95 percent belong to the two major parties—the Democratic Party and the Republican Party. With the party national committees at the top, powerful networks of the Democratic and Republican parties are spread throughout every state, city, town, and rural area. Ever since the two major parties were established, there has been no instance of a third-party candidate ever winning the presidency. Recently, Perot's appearance has caused the organizational defense alarm mechanism to sound off.

There has been a mounting expectation among the electorate for a candidate who will realize the "American dream"—one who will bring a "change." According to public opinion polls, 70 percent of the nation is seeking a "change," and there is apparent impatience that "at the present rate, the United States will decline." The U.S. position in the global economy has inevitably been forced into a gradual backslide. As a result of the reduction of the American pie per se, the idea of the national identity has been shaken, and confusion and dissension stemming from a sense of racial superiority have been exposed through racial problems and urban issues. Also, from a medium-term standpoint, the national census has revealed that the nation's standard of living has declined substantially, and the gap between rich and poor has widened. Furthermore, white-collar workers are stricken with the fear of unemployment, and the middle class, which has sustained the U.S. economy and the Republican Party, is approaching a crisis.

As a reaction, such marked social phenomena as distrust of the incumbents, disillusion with the established parties, a wave of anti-Washington sentiment, and a mood for the advancement of women have emerged. Both candidates Bush and Clinton are touting catchphrase visions and public commitments. However, the "unjust" political postures that do not commit their best efforts toward the all-important reduction of the fiscal budget deficit and the social health problem are accelerating the trend toward lower voting rates in the "dull elections."

Although the Japanese media is engrossed mainly in the presidential election, an upheaval in the House of Representatives will also impact on U.S.-Japan relations. A third, or more than 150 incumbents of the lower house, will be forced into retirement or defeat. A diminution of the Democratic Party in the lower house and a mass advent of new members representating local interests will inevitably alter the power balance in Washington politics.

The upheaval will appear with the overlapping of such elements as electoral redistribution based on the 1990 national census, the scrutiny of political ethics including the congressional bank check scandal and distrust of the incumbents. An in-depth briefing of the new members regarding understanding of Japan is essential to prevent their participation in Japan-bashing.

A Turn to the Right by Newborn Democrats

The Democratic national convention held in New York in July was jolted by a major earthquake that upstaged the "political show." The Democratic Party seemed to be devoid of its usual internal dissension, and it apparently succeeded in staging a quiet coup d'etat. It is probably no overstatement to say that it made a historical wager. That is to say, it parted with its traditional "New Deal" policy of the 1930's.

The new platform of the Democratic Party is epoch-making. First, it switches from its traditional liberal philosophy to a centrist and pragmatic line. Second, with the slogan of a "new contract" (third direction) in search of a change, it demands burden-sharing between the people and the government. Third, it urges a reform of the lavish welfare distribution policy and also self-help efforts by the poor.

In other words, it is a switch from relief for the weak and poor to a rebirth of a new political party centering on the middle-income class. In a sense, its stance approaches the Republican Party's ideology. The backdrop for the major ideological conversion was a diversionary operation consisting of self-reflection on the defeat of the Democratic Party with Mondale in the 1984 election and Dukakis in the 1988 election, followed by a takeover by liberal elements, and subsequent focusing on the moderate faction.

In other words, the purpose is to fuse all of its energies, which had been forced into a broad coalition ranging from the labor unions to black voters, toward a recovery by the Democratic Party of the "Reagan Democrats" (conservative middle class of Democrats), who voted for the Republican Party in the past three elections.

The three liberal musketeers of the party—Senator Kennedy, New York Governor Cuomo, and the (black) Reverend Jackson, who form a major force within the party—ostensibly expressed support for Clinton for the success of the national convention. However, there is a potential risk of alienating the liberal voters whom they represent, the racial groups (blacks), and the regional (eastern) voters in the future. On the other hand, if the party pendulum swings back to the liberal side, it could result in self-destruction.

Charles Swaney, a speechwriter for the Democratic National Committee, declares: "As the Perot phenomenon proves, the awareness of party affiliation among the electorate has weakened, and the voting rate is a low 50 percent. Therefore, the key elements are the campaign for voter registration and the capture of floating votes."

Risky Southern Strategy

The Democratic Party selected Senator Albert Gore of Clinton's neighboring state of Tennessee, who belongs to the same generation (as Clinton), as the vice presidential candidate. It was an unexpected choice of a partner for candidate Clinton, but there is a vast difference both in terms of popularity and prowess compared to the previous selection of Senator Quayle by President Bush.

However, given the fact that the election experts view the geographical, age, and philosophical complements as the selection criteria for the president and the vice president, the recent (Democratic) selection was surprising.

First of all, the 45-year-old presidential candidate and the year younger vice presidential candidate form the first postwar baby-boom-generation pair of runners, who are handicapped in dealing with senior citizen politics. Second, both are graduates of famous eastern universities and are similarly centrist-leaning. Third, they both hail from southern states and face a handicap in their distance from the eastern and western states.

However, they fit the election image of "generational change" and "reform." Also, Senator Gore's strengths in complementing candidate Clinton's lack of fidelity and inexperience in central politics, in addition to his expertise in foreign and environmental affairs, cannot be overlooked.

Meanwhile, candidate Clinton has committed a serious miscalculation. His southern tactic in choosing Senator Gore was based on a strategy for a three-man race that included Perot. Perhaps he predicted that, if Perot could make inroads into the highly popular conservative votes and control the western states, he would separate candidate Bush from the southern votes and prevent him from gaining a majority margin in the November election; also, in the electoral college vote in the House of Representatives next January, he (Clinton) could win through majority maneuvers by the Democratic Party.

The scenario for victory with the southern strategy of selecting Gore has collapsed. One substantive battle has been decided. Perhaps Bush's Republican Party is one step ahead.

However, it is also a fact that, due to an enthusiastic carryover from the Democratic national convention, there is a wide margin of 56 percent versus 33 percent respectively in public support for Clinton and Bush. The pro-Perot votes have undeniably floated at a five-to-three ratio to the Clinton camp whose campaign appeals for "change" and "outsiders."

Bush With His Back to the Wall

The strategy of the Bush camp aims for a short-term decisive battle with the successful national convention in Houston on 17 Aug as a springboard. That is to say, it will adopt the same pattern as in the previous election. The strategy is to recoup its losses in a single negative campaign against Clinton with his many weaknesses and to gain a decision. In the public polls taken immediately following the national convention of the rival Democratic Party, the ratio of 59 to 32 announced by NEWSWEEK magazine and the ratio of 49 to 29 by CNN/TIME magazine shows a wider margin than in the previous race against Dukakis.

Vice Chairman Jim Ray of the Republican national convention steering committee provides the following commentary. "We will hold our convention one month later than our rival, but we will make full use of our advantage in being able to revise our strategy after carefully analyzing the position of the Democratic Party. While the figures of the public opinion polls change rapidly like a seesaw game, our side will compile the voting rates by states and social strata, in addition to data on policy acceptability, and grapple with the conservative and women's votes, internal political problems and the west and east coast states as the key targets of emphasis." A sense of crisis in thus frankly admitting Bush's tough fight seems to seep through.

Former vice chairman Eddie May of the Republican Party declares: "The Bush election committee had no miracle remedy to deal with the three-man race, but it first embarked on a strategy to destroy the tough Perot

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campaign and succeeded. It has taken on an aspect of a "mole-whacking game" aimed at Buchanan, Perot, and Clinton in succession, but it will end in a narrow victory for strategy-wise Bush."

Overcoming the following five Achilles' heels is an absolute condition for President Bush in order to win.

With the effects of the seven consecutive drops in the interest rate, Bush faces such problems as: 1) establishing a real business recovery, 2) anxiety regarding Bush's health and Vice President Quayle's unpopularity as his running mate, 3) discord within the Bush election committee due to Secretary of State Baker's appointment, 4) his role in the Iran-Contra scandal that is rocking the former executives of the Reagan administration, and 5) a clear-cut answer to the people's expectation for "change" and the atmosphere of "political distrust."

Because 60 percent of the electorate will decide their candidates after the professional baseball World Series is over in September [as published], high hurdles will continue until 3 November, including the Republican National Convention, followed by TV debates.

U.S.-Japan Relations a Direct Target

The "Bush support" openly claimed by the Miyazawa cabinet and the Kanemaru-led Liberal Democratic Party was clearly a product of the honeymoon era between the U.S. and Japanese Governments during the 16-year period of Republican rule from Reagan's victory in 1980 to Bush's reelection, that is an expectation of maintenance of the status quo.

At the Democratic National Convention, candidate Clinton made a speech full of sarcasm in accepting his nomination, which is still fresh in our memory. He said: "President Bush received sympathy from the Japanese prime minister, but I would reject such consolation. The United States must be a nation that is respected by the world."

Many leaders of the Democratic Party resent the posture of the leaders of the government and ruling party of Japan—the world's second economic power—who cater to the Republican administration which desperately seeks to boost the economy, and the fact that they continue to provide it with business support.

I wonder about the advisability of openly providing support to one side during an election campaign in a foreign country. It will probably bring a reverse effect of raising the hackles of the anti-Japanese hardliners in the Democratic Party.

There are some in Japan who are suggesting caution that U.S.-Japan relations may fall to their worst level in the event of a Clinton Democratic presidency. However, it is only one aspect and no cause for concern. Regardless of who becomes president, there is a natural difference between a domestic election campaign, in which Americans are the only electorate, and the presidential office which seeks a balance between international cooperation with 178 nations of the world and domestic interests.

Regarding President Carter who defeated the incumbent Ford in the 1976 election, precisely the same biases and overreactions were expressed by the media. However, were not the four years under Carter more pro-Japan and pro-free trade than any Republican administration since the Nixon administration?

Japan-bashing is described as "made in Washington." Dissatisfaction toward Japan throughout the United States is collectively taken up in Washington, the capital, where it is distorted and aggrandized by a friction propagation machine of lobbyists. The sharply contrasting large number of Japanophiles among the state governors, who represent the local "grass roots," is the epitome of U.S. political dynamics.

How To Get Along With the United States

If Governor Clinton is elected president, U.S.-Japan relations will remain unchanged within the larger framework, but in the closer U.S.-Japan relations there is the risk of a considerably large impact.

First of all, rejection by Wall Street, which dislikes political unstability, is a matter of concern. The reason is that, if the continuous stock prices on the highest level in history, based on super-low interest rates, change abruptly and raise the risk of a stock market crash, the Republican Party equals financial capital complex will collapse.

Also, as a direct impact, public commitments will be implemented, including the resurrection of the "Super 301 clause" aimed at Japan and the beefed-up taxation of foreign companies. Next, a specific industrial (protection) policy centered on the high-tech field, drastic cutbacks in defense spending, and a reappraisal of the U.S. forces stationed in Japan in the security-related field, pursuit of a strict Democratic Party human rights diplomacy vis-a-vis China and North Korea, and demand for lateral support by Japan will become realities.

When one reads the platform of the newborn Democratic Party, certainly its distance from the Republican Party has become considerably narrower. However, in the sense of parting with 12 years of Reagan-Bush policy, a broad policy course correction will be effected. Moreover, it will take more than a half-year for the new Clinton administration to complete forming its personnel and policy organization. Meanwhile, if close cooperation with Japan and mutual interaction can be effectively implemented, the tough stance toward Japan may cool down to moderate demands.

On the other hand, a Bush reelection is a beneficial option for the side that desires a stabilized status quo of U.S.-Japan relations. During the election, the people's interest will be focused on the new trend of emphasis on domestic affairs and the usual negative campaign, so the

Japan problem will be shelved for the time being. Even if Japan-bashing is heard intermittently, it will probably not turn into a U.S.-wide chorus of protest.

What requires caution is the harm from a vacuous state that could result from passive U.S. diplomacy and international activity during and immediately following the elections. The question arises as to what degree of burden-sharing Japan should undertake in order to fill this vacuum. The previous type of passive Japanese diplomacy will not be acceptable, and Japan must forge a global strategy that includes international contribution. It is necessary to aggressively display a strategy of Japan's initiative toward the United States in a period of confusion and transition.

Meanwhile, attention should be focused, regarding U.S.-Japan relations after a Bush reelection, on the public commitments exchanged with the industry and interest pressure organizations in order to win a heated election race. Part of the debts in terms of money and votes will be passed around to Japan next spring.

If correction of the large trade deficit and escape from the business stagnation fail to materialize, the new administration will be unable to restrain congressional demands against Japan, and a risk of moving toward tense relations will probably arise.

With deepening interdependence and internationalization of U.S.-Japan problems in both nations today, globalism and localism are mutually functioning without national borders. It is time to abandon heart-stricturing worry as to whether the Japan problem will loom as an issue in the coming elections, and rather to contemplate via the elections how to get along with an America in a new trend.

Tanabe on Kanemaru Resignation, Political Reform

OW2110133692 Tokyo YOMIURI SHIMBUN in Japanese 16 Oct 92 Morning Edition p 3—FOR OFFICIAL USE ONLY

[Interview with Makoto Tanabe, chairman of the Social Democratic Party of Japan, by unidentified correspondent; place and date not given: "Involvement of Gangster Group Is Collapse of Democratic Politics"]

[Text] [YOMIURI SHIMBUN] Former vice president of the Liberal Democratic Party [LDP] Shin Kanemaru resigned from the Diet.

[Tanabe] I was quite astonished to hear the news in August about the 500 million-yen contribution. I knew he would be forced to resign. He did so much too late, but it is a natural consequence.

[YOMIURI SHIMBUN] Do you think his resignation has put an end to the case?

[Tanabe] No. He needs to make clear to the public the details about the 500 million yen. He also needs to clarify who are the 60 people in the Takeshita faction to whom Kanemaru distributed the money.

[YOMIURI SHIMBUN] There is another issue in which gangsters were supposedly involved in the formation of the Takeshita cabinet.

[Tanabe] The link between gangsters and political power shakes the foundation of democratic politics. I think the name of the Takeshita government should be stricken from history. Both former Prime Minister Takeshita and Mr. Kanemaru should testify before the Diet. Takeshita cannot say he just did not know. He should disclose the truth to the Diet and say right there "I will take responsibility."

[YOMIURI SHIMBUN] Deliberation on the supplementary budget and clarification of the truth will be the tasks of the extraordinary Diet session.

[Tanabe] It depends on the government and the Liberal Democratic Party. We will be able to discuss economic matters at the same time unless Prime Minister Miyazawa himself clarifies his responsibility. We neither want to make the budget a hostage nor neglect to develop measures to overcome the recession. Ee will make thorough efforts to clarify the Sagawa scandal first, however.

[YOMIURI SHIMBUN] What do you think is the responsibility of the Miyazawa cabinet?

[Tanabe] I do not think it is a good idea to demand dissolution of the House of Representatives without prior conditions. Nevertheless, we may do so depending on the outcome of our pursuit, or if the prime minister assumes a cool attitude and refuses to respond to us.

[YOMIURI SHIMBUN] Some who attended the Social Democratic Party Diet meeting expressed criticism, saying the executive department is "slow to investigate the scandal." Some suspect the cause of the slow action can be attributed to your friendship with Mr. Kanemaru.

[Tanabe] I think it is a matter of course for some who felt the resentment of the people to express their dissatisfaction against the executive department's way of handling the situation. I am not going to blame them. The executive department is doing its best and accepts their criticism with modesty. I am not going to deny my past relations with Mr. Kanemaru. But the recent situation has nothing to do with my relations with him. I am making a clear distinction between them. I feel the people will understand that when they see my future actions and Diet debate.

[YOMIURI SHIMBUN] Some people at the Diet meeting called for the resignation of the executive department members.

[Tanabe] What the executive department can do at this stage is to be prepared for the Diet session and to continue its daily activities without being disturbed by criticism. I do not think those who spoke out against the executive department had any malicious intentions.

Therefore, I would like to ask them to trust the executive department and act with us.

[YOMIURI SHIMBUN] Reportedly Seiroku Kajiyama, chairman of the Liberal Democratic Party's Diet Policy Committee, quietly said at a committee meeting between the leading and opposition parties that there was a list of people who received Sagawa money.

[Tanabe] By all means I would like to see it if there is such a list. I think both the leading and opposition parties should lay their cards on the table and have constructive discussions.

[YOMIURI SHIMBUN] Some people are saying you should question Kanemaru if he testifies before the Diet.

[Tanabe] I will do that if he testifies on the condition I question him.

[YOMIURI SHIMBUN] Working out measures to prevent similar things from happening is another task.

[Tanabe] We have to revise the laws which are related to prevention of political scandals. Since the 18 items which the leading and opposition parties have already agreed upon are not sufficient enough, we are going to take further steps of assurance by introducing additional items or by continuing to hold discussions.

[YOMIURI SHIMBUN] We are afraid the resignation of Mr. Kanemaru, who supported the reorganization of the political world, may have a negative impact on discussions for such reorganization.

[Tanabe] The political world will change whether we like it or not. The structure of factions within the Liberal Democratic Party will also change, and coalitions between the factions will weaken it. We will continue to make efforts to create two major political powers, which is an essential goal of the reorganization of the political world, while keeping an eye out for polarization of the LDP. Do you think this may be a time in which we can make major movements and development?

SDPJ in 'Confusion' After Kanemaru Resignation

OW2110145492 Tokyo THE JAPAN TIMES in English 20 Oct 92 p 20—FOR OFFICIAL USE ONLH

[Article on the "Opinion" page by Koichi Kishimoto, formerly a senior research fellow at the National Diet Library and currently teaching political science at Reitaku University: "Confusion Reigns in SDPJ"]

[Text] Oddly, the political scandal involving the Liberal-Democratic Party's Shin Kanemaru has dealt a direct blow to the opposition Social Democratic Party of Japan (SDPJ). Kanemaru's resignation from the Diet should offer an excellent opportunity to the SDPJ to try to get a firm toehold for eventually taking the reins of government. But what is it doing? Very little. The party is being criticized for not vigorously pressing for an investigation of the Kanemaru affair. SDPJ Chairman Makoto Tanabe, a close friend of Kanemaru, has come under particularly strong fire. If the situation remains as it is, the responsibility of Tanabe and his fellow party executives may become a major issue, leading possibly even to talk about dissolution of the party.

Unfortunately for the SDPJ, its conduct has been less than clear recently. It is confusing, and this has caused public disappointment and distrust.

Tanabe, who comes from the party's right wing, emerged with a promise to make the party more pragmatic. The left wing's reaction and discontent has been stronger than expected. For this reason, the Tanabe executive group went along with the left wing and resorted to "ox walk" tactics to oppose to no avail the United Nations Peacekeeping Cooperation Bill at the last extraordinary Diet session. This move surprised people who had expected the SDPJ to take a realistic stance.

The SDPJ became isolated as it failed to form an opposition alliance with Komeito and the Democratic Socialist Party. It was bitterly criticized by the public. The result: It suffered big losses in the Upper House election in July. Moreover, the party's idea of bringing together all social-democratic forces collapsed. It lost all prospect for rising to power for the foreseeable future.

In August, the Social Democratic Party of Japan came up with the idea of rebuilding the opposition's relationship of rivalry with the governing party. In October, it adopted a plan for reconstructing the party within the immediate future. But there is little practical substance in the plan. It is just words.

A study group of the party's right wing and the younger Diet members are calling for reforms, including fundamental policy concerning national security and the Self-Defense Forces. There are elements that even suggest changing the name of the party. Clearly, the party is confused.

Leaders of labor unions supporting the SDPJ have formed a "conference" to study "new politics." The body includes executives of the steel, telecommunications and automobile workers' unions as well as of the prefectural and municipal workers' union. These people think there should be a political reorganization with the birth of a new party in view. Their move reflects disappointment that the present SDPJ leaders are not capable of carrying out real political reorganization.

It also shows that the idea of mobilizing all the social-democratic forces under the SDPJ, DSP, Social Democratic Federation, Rengo Upper House Group, with the Japan Trade Confederation (Rengo) playing a central role, is now at a stalemate.

In addition, the Sohyo Center will disband next March. The center is the last stronghold of Sohyo (General

Council of Trade Unions of Japan), which has supported the socialists all these decades since the end of World War II. Labor leaders are vexed at seeing the SDPJ unable to respond promptly to new developments. The Kanemaru scandal arose against this background. He resigned from the vice presidency of the LDP after admitting that he had received a large political donation under the table.

What a good chance to pounce on Kanemaru and the governing party! Yet the SDPJ failed to take the opportunity promptly. The public asked what the party is doing.

Niigata Governor Kiyoshi Kaneko resigned for his suspected involvement in the Tokyo Sagawa Kyubin scandal. The SDPJ and the governing party are jointly going to support a candidate to succeed him. Late in September, party Secretary General Sadao Yamahana and his counterparts in the LDP, Komeito and DSP made a European tour together.

All this was seen as stemming from the close relationship between Kanemaru and Tanabe. Tanabe himself has said that the party would keep "business stimulation measures and the Kanemaru affair separate" at the extraordinary Diet session expected to open at the end of this month. Tanabe also said that "(questioning Kanemaru about the political donation) is personally unbearable but as a public figure I will take a resolute stand." These strange words have aroused suspicions within the party and among the general public. Tanabe said there is no change in his stance of demanding questioning of Kanemaru, "so please watch me."

The people, including those within the party itself, doubt that the SDPJ can take over the reins of government and be able to truly carry out political reforms.

Will Kanemaru, former Prime Minister Noboru Takeshita and others concerned be summoned as witnesses to answer questions at the coming Diet session? How far will the investigation go? A general election is expected to be held within the next year. The SDPJ is desperately trying to brush off the sparks thrown up by the Kanemaru scandal and wondering how it should reform, as it fears that it cannot put up a good fight in the next election if things remain unchanged.

If it fails to act promptly and effectively, distrust of Tanabe and other party leaders is bound to grow, possibly leading even to a call for dissolution of the party and the formation of a new one.

Editorial Criticizes SDF Officer's Coup Remarks

OW2610052392 Tokyo MAINICHI SHIMBUN in Japanese 17 Oct 92 Morning Edition p 5—FOR OFFICIAL USE ONLY

[Editorial: "Coup d'Etat Remarks by SDF Official Is Inexcusable"]

[Text] A magazine carried an article written by a Ground Self-Defense Forces [GSDF] official who is on active service. In the article criticizing the current political situation, the official stated his views tolerating a coup d'etat. He said that politics is corrupting and "it is impossible to lawfully rectify politics through elections." He added that "the only way left is a revolution or coup."

The people are angry and distrustful of politics in connection with the case of former Liberal Democratic Party [LDP] Vice President Kanemaru, which gives the impression that the Lockheed and Recruit scandals have entirely slipped the politicians' mind.

It is inexcusable for the SDF official, who is a member of the armed forces, to stress the need for a coup, even if he is strongly dissatisfied with politics.

Although a SDF member should have freedom of speech, his statement conflicts with the basis of democracy which allows freedom of speech. Therefore, we should not ignore recent statements by the GSDF official as nonsensical, irrational arguments.

We do not think there are similar absurd opinions among other senior SDF officials. But if there is an atmosphere which allows an official who serves as an instructor at the GSDF antiaircraft artillery school to openly indicate his own views in a popular magazine, then this mood should not be overlooked.

According to the rules of the SDF, a member is required to obtain the approval of his superiors before writing for magazines or journals outside the SDF. It is reported that in spite of this rule, his superior failed to check the details of the official's article because the official failed to follow concrete procedures. Such negligence in controlling an SDF member's excessive attitude should not be treated lightly in terms of maintaining SDF discipline or civilian control.

In the past, through discussions of the Joint Staff Council and because of (then) Joint Staff Council Chairman Kurisu's excessive remarks concerning civilian control, the issue of civilian control has often been discussed. If there is a growing atmosphere of thinking lightly about civilian control within the SDF, it is a serious matter.

The SDF is currently engaging in its first full-scale overseas activities in Cambodia as part of UN peacekeeping operations (PKO). The SDF's overseas activities are still controversial in Japan, and neighboring nations are concerned about it.

In this connection, now is the time to take a cautious attitude in order to win the understanding of the SDF's activities both at home and abroad.

Nevertheless, linkage between politicians and money and gangsters has greatly injured Japan's international confidence. Thus, there is no doubt the official's statement tolerating a coup d'etat will greatly hurt the image of Japan.

At their inauguration ceremony, SDF members swear observance of the law and the constitution. The recent case obviously deviates from the SDF's regulation. We hope the Defense Agency will not treat this "as a singular case," but will take it as an opportunity to think about how civilian control of the SDF and democracy should be while dealing severely with the official.

We have received an opinion saying "there is some reasoning" in the official's opinion. This is regrettable. We are concerned about the possibility that such a view will spread among the people. As proved by the Kanemaru's case, in which the people's power forced Kanemaru to resign as a Diet member, it can be said that Japan's democracy is functioning healthily. We want to reaffirm that our democracy, with its strength, will promote cleanup and reform of politics.

Editorial Demands Disbandment of Takeshita Faction

OW2610083992 Tokyo NIHON KEIZAI SHIMBUN in Japanese 23 Oct 92 Morning Edition p 2—FOR OFFICIAL USE ONLY

[Editorial: "Takeshita Faction Should Practice Self-Discipline and Disband Itself"]

[Text] The Takeshita faction of the Liberal Democratic Party [LDP] is prolonging strife over its leadership following the resignation of Shin Kanemaru, and it is a matter of course that criticism against the faction has intensified both from within and from outside the party. What is requested of the Takeshita faction at this moment is to take responsibility for the Kanemaru issue and for its invovlement with gangster organizations, by practicing self-control over factional activities, and through the disbandment of the faction itself. Herein lies the very first step towards political reforms.

The members of the Takeshita faction have been engaged in internal disputes over their leadership, disputes which originated with the handling of the Kanemaru issue. Day in and day out, consideration has been given just to factional interests. Such is the current state of the Takeshita faction. Moreover, intensified internal conflicts during the past few days have exposed the fact that faction members are now divided even in their views concerning "factional interests" and also the fact that neither unity nor order now exists in the faction.

Since the faction does not exist even in appearance, it has been virtually disbanded. Emotional conflicts between senior members as well as differences in ideas concerning factional interests and objectives are far from the appearance of a faction whose organizational principles are based on unity among comrades. Thus, the only alternative left for the faction is either to disband or split.

Now that internal strife has intensified and the faction is on the verge of splitting, some faction members have stated that the faction should not be divided. This is just because they do not intend to lose any vested interests or privileges that they have obtained as members of the largest faction. The faction's top leaders have been contending for the post of faction chairman in a very intense manner, like immediate family members who are fighting with each other due to hatred. This is because the strife is deeply connected with the question of who will take over the faction's interests and access to financial supporters.

We are not very interested in a faction's mud-flinging contests, since it is just a private group. Since this is internal strife in the Takeshita faction, which is the LDP's largest faction, and which has the Miyazawa administration under its control as the "backstage" power for promoting Japanese politics, it is regrettable but certain that the internal strife will impact on the current and future political situation, however. Herein also lies the faction's shortcomings.

While advocating its argument of on the strength of a majority—that politics is tantamount to power and power lies in the majority—the Takeshita faction has so far been in an advantageous position over various issues such as distribution of cabinet posts, access to political donations, and the recruitment of new members. As king-maker, the faction has pulled the strings behind successive cabinets since the Uno administration. The absurdity that Japanese politics is controled by one faction, which actually is nothing more than a private group, has now come to be unchallenged. Now that the distinction between public and private matters in politics has been eliminated, politics has taken the road toward corruption.

Upon becoming a gigantic faction, the Takeshita faction began increasing its financial supporters and even reached out to collect unwarrantable funds so as to maintain its influential power. With many of its Dietmen members known as influential lobbyists, the Takeshita faction is good at encroaching upon government agencies and business circles. There is the corresponding risk of collusion among political, government, and business circles, however. It is exactly with this background that names, including Kanemaru and those of other senior faction members, have become so talked about in the alleged Tokyo Sagawa Kyubin case.

If the Takeshita faction had any pride in being the group that supports state affairs, it should explicitly explain to the people its relations with gangster organizations; its involvement in the Tokyo Sagawa Kyubin scandal; and how the 500 million yen reportedly distributed by Kanemaru was used. It should take responsibility for conspicuously damaging trust in Japan's politics both at home and abroad through the disbandment of the faction itself.

Opposition Parties Urged To Cooperate in Probe

OW2610100692 Tokyo MAINICHI SHIMBUN in Japanese 17 Oct 92 Morning Edition p 5—FOR OFFICIAL USE ONLY

[Editorial: "We Urge Opposition Parties To Hold Party Leader Conference and Join Forces"]

[Text] Since Mr. Shin Kanemaru, vice president of the Liberal Democratic Party [LDP], tendered his resignation as Diet member over the issue of his receiving an illicit donation of 500 million yen from Tokyo Sagawa Kyubin, the people's attention has shifted to the question of how deeply the Diet will go in search of the details of the scandal at the extraordinary session, which is due to open late this month.

There is no doubt that the LDP—which is teetering on the precipice of a cliff after having come under a heavy barrage of public criticism—will use all the tricks it knows to defend itself. It can be said that the key to delving into the scandal lies in the question of how best the Diet's right to investigate the government, guaranteed under Article 62 of the constitution, is exercised in tearing down the LDP's thick defensive walls.

For that reason, the mission and roles which opposition parties must bear are very important indeed.

The opposition parties are getting ready for questioning on the scandal at the Diet's extraordinary session, and the parties agree that they should summon for testimony not only Mr. Kanemaru but also former Prime Minister Takeshita. They also agree that they should demand the latter's resignation as well. The Social Democratic Party of Japan [SDPJ] and Komeito consider discovering the truth about the Sagawa scandal as the Diet session's most important task, and have announced that, if necessary, they would not hesitate to take the supplemental budget "hostage" in order to pursue their objective. Though belatedly, the opposition parties appear to have made up their minds.

But, we must say that the opposition parties' responses in the process that led to Mr. Kanemaru's resignation were too shabby. Party heads and other leaders were hesitant to talk about the scandal out of deference to Mr. Kanemaru. Strange as it may seem, their sorrowful looks were not that different from the LDP faction bosses.

Why the opposition parties in general were weak-kneed was because the Sagawa money contaminated not only the LDP, but also the opposition parties—up to their knees. Mr. Yasutsune, SDPJ House of Councillors member, had to resign from his House post after it was discovered that he had received a donation from Tokyo Sagawa Kyubin. But it is rumored that the names of other SDPJ Dietmen are on the list of donation recipients. Similar rumors abound concerning the members of other opposition parties, with the Japan Communist Party [JCP] as the only exception.

The opposition parties are thought to have been cautious because of apprehension that a thorough investigation of the case might lead to the discovery that people from their own parties were involved. Another point to note may be that many oppositon party leaders were closely interlocked with Mr. Kanemaru's people. Mr. Kanemaru was first named the party's Diet Affairs Committee chairman during the latter part of the Sato administration, and then served in that post under the Tanaka and Ohira administrations. During that period he built up thick communications pipe-lines with opposition party floor leaders, and these pipe-lines enabled him to soft-pedal oppositon parties and do as he pleased as "Kanemaru, the floor leader."

Diet operations expenses that Kanemaru used as negotiating expenses for opposition parties gave birth to the bad practice of doing politics through floor groups. Herein is the reason why opposition parties are said to be in part responsible for "money-tainted politics."

Essentially, the role of bringing the government party's money-and-interests-related corruption into the open is the opposition parties' mission.

Now, immediately before us, is the extraordinary session of the Diet, which will be a full-fledged arena to look into the truth of the Sagawa scandal. The LDP has shown the full picture of its corruption, and the people are growing distrustful of politics. Now is the time for opposition parties to display their true values and rise up in resolve to regain for the political world the confidence of being able to cleanse itself.

It has become clear from past experience that in delving into the scandal, not much can be achieved if individual parties act separately.

One-man plays with the aim of good reportage in party newspapers will only waste precious time in deliberations, and such things will only mean falling into the traps of the LDP. In order for the deliberations to be effective and rational, it is essential that the parties transcend their party frameworks and work together.

What we would like to call on opposition parties to do at this time is—if they want the scandal investigations to be effective—call a meeting of party heads without delay and organize a team for a strong, joint fight. The practice of leaving the JCP out has become routine over the past several years. But this time that practice should be abandoned so that all opposition parties can sit together in a pan-opposition fight.

The people of the nation are now watching every move of the opposition parties.